THE FINANCIAL POST

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BUSINESS EXPECTS TARIFF BOARD TO BRING STABILITY

Whole Problem Disturbing Influence Throughout Present Session

IS PURELY ADVISORY

First Quarter of Year Shows Gradually Increasing Trade Turnover Throughout Country

Now that the Canadian Tariff Board is an actuality, business breathes more freely with the realization that its appointment involves no radical departure. Tariff matters have been a disturbing influence in business, particularly since the beginning of the present parilamentary session. Rumors that a wholesale adjustment of duties, including automobile duties, was contemplated, had an unsettling effect. Now that the smoke has largely cleared away, it is more apparent than ever that the central feature of the whole problem is stability.

Unlike the Railway Board and the Civil Service Commission, the new Tariff Board is not endowed with the right of ultimate decision in tariff matters. Nor is it the desire of business that it should be so. Business leaders of all political leanings urge that a tariff board should, under present conditions, be advisory, and final decisions should remain in the government's hands. Tariff problems are among the most intricate that have to be faced by governing bodies. They require thorough analysis and careful study. They require a more or less specialized knowledge. Slight adjustments may lead to altogether unexpected results. Were all those to whom the privilege of tariff protection is extended, fair in the use of this privilege, the situation would be an easy one to handle. Unfortunately, experience shows that the tariff protection privilege is often abused. Were this not the case, the opposing viewpoints on tariff matters would be infinitely closer together. These are the reasons why a tariff board is needed, and why we still insist on considering as political, a problem that is purely economic. Not only from the standpoint of general effect of changes upon business, but their importance from the revenue standpoint, must be considered, since the tariff is normally our largest source of revenue.

Tariff Board a Stabilizer

There is a conviction on the part of business that the problem facing the country is not so much one of what the Board does, or fails to do, as, how well it succeeds in maintaining equilibrium in tariff matters. Canada and the United States have learned from experience that business stability is seriously interfered with when tariff matters are decided suddenly by ill-informed or possibly decidedly interested politicians. With the appointment of a presumably impartial board, it is evident that all tariff matters will be carefully studied before a decision is reached. There will be no sudden changes. This will enable the business firm to make its budget for the coming year with an assurance that condtions will not be suddenly altered. This does not mean that there will be no changes. When a vexed question needs attention, it will be carefully considered and weighed before action is taken. It is highly probable, for example, that the automobile tariff matter now under discussion will be placed before the Tariff Board.

From the standpoint of general business, the first quarter of the year is sufficient to show that gradually increased trade turnover is well under way. Sales of goods to other countries have increased 22 per cent. in the year ending with February, the total being $1,310,459,000. Shipments of merchandise within the country have been continuously heavier during the three month period than for the same period last year. Total car loadings for the quarter are 5 per cent. larger than for last year. Retail sales are heavier in nearly all lines. There is no fundamental rise in the volume of business but there is a gradual upward trend.

Newsprint Investment Proposal Ratified

From Our Own Correspondent.

MONTREAL.—At their special general meeting, the shareholders of the Newsprint Investment Corporation unanimously decided to carry out the recommendations of the directors and to accept the offer made for approximately 45,000 shares of the company's holdings of the St. Maurice Valley Corporation common stock. The proceeds of this sale will be used to retire the Newsprint Investment Corporation's bonds, of which there are outstanding $2,500,000.

The remaining assets of the Newsprint Investment Corporation consist entirely of shares in the subsidiary company, and these will be divided amongst the shareholders in the ratio of one share of St. Maurice Valley Corporation for every two shares of Newsprint Investment Corporation stock. The distribution of the shares will take place in a week or so; the company will then be wound up.

U.S. Stock Crash Not Unfavorable to This Country

Current stock market and business developments in the United States are more likely to work out in favor of Canadian business than the reverse. Such is the feeling of many business leaders. In any event, there is nothing in the present American situation to indicate a definitely adverse influence on Canada.

Business in Canada has been suffering from two outstanding factors. One is the reduced purchasing power of the farmer and the farming community. The other is the loss of citizens and their assets to the United States. This latter has been rather serious during the past three years. A reversal of the movement would mean much to Canadian business.

That such a reversal is likely to follow present developments in the States is strongly suggested by the continuation of the stock market decline in New York. During the early stages of the slump, it was not clear whether the movement was merely due to professional selling, or whether it was the begining of a basic market decline. As new low records continue to be reached, business leaders are forming the conclusion that the latter description fits the present situation and that less inflated business may be expected to follow the present market movement.

United States business does not influence Canadian business to the degree that was formerly true. On the other hand the decline in the States does not necessarily mean a decline for Canada. One is justified in expecting a large scale return of Canadians from good business here and depressed business in the United States. The other cause of bad business mentioned, low farm purchasing power, has been corrected. A correction of adverse balance of migration would help further to put business on a sound basis.

Again business expansion in the United States has, no doubt, offered opportunities there for home investment of capital, that might otherwise have come to Canada, and more moderate business there would turn the eyes of investors even more to this country's possibilities.

B.C. SHIFTS BLAME ON DOMINION FOR EXPORT OF LUMBER

Attempt Being Made to Make the Issue Political One

From Our Own Correspondent.

VANCOUVER.—With the provincial goverment standing pat and asserting that it is not responsible for the heavy export of logs from British Columbia to the United States, those interests which are leading the fight to retain the manufacturing end of the lumber and pulp industries on Canadian territory are now concentrating on the Federal authorities.

The chief spokesmen for these interests in the House of Commons are C. H. Dickie, and Hon. S. F. Tolmie, two Vancouver Island members, both of whom have already referred in parliament to the movement of logs across the border and the losses thus incurred to the Dominion in the form of manufacturing profits now distributed among industrial enterprises of Washington, Oregon and California.

The provincial government's contention, as expresed by Hon. T. D. Pattullo, minister of lands, is that practically all the logs exported from British Columbia are from timberland controlled by the Crown and outside provincial jurisdiction. The only logs exported from province-controlled land are of species for which there is no ready market in Canada and which would probably be wasted by loggers seeking other species if not disposed of while fresh.

"The provincial government is absolutely opposed to the principle of exporting logs," said Mr. Pattullo in a statement to The Financial Post. "And I can say quite positively that the government is doing its best to curb the export of logs. Not only that; we have succeeded in reducing exports to the minimum. But there is a limit to the extent that we can go. Logs are being exported from Crown grant land and we cannot interfere. Most of the blame that we have received for the export of logs is blame that should properly be attached to the Federal authorities."

According to Mr. Dickie, 211,000,000 feet of sawlogs have been shipped across the border for manufacture. After dwelling on the loss which this extension meant to Canada in money and manpower—for in B. C. as well as in the East Canadian workers were following Canadian logs to the mills of the United States—he advanced the plea for a higher tariff on logs.

Nothing less than absolute prohibition of log export will satisfy the Conservative party in the British Columbia legislature and if the Dominion government does nothing in response to the arguments of Dickie and Tolmie at Ottawa, efforts will

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BAKING MERGERS CANNOT INCREASE PRICES FOR BREAD

"Price-Cutting" More Injurious to Public, Combines Registrar Finds

PRICE WAR FATAL

No One Gains, Not Even Consumer, When Price Cutting is Indulged in

There is much that is of significance to business and to investors in the report of the registrar under the Combines Act, on the bread situation in Montreal. Besides stating that no combine against the public interest exists in the Montreal baking field, the report sets down a number of views of wide interest. One is that a price-war, leading to "below cost" selling prices for a product is disastrous to the participants themselves, "unfair to competitors, against the interest of employees and, in the end, of no advantage to the consumer." Further developing this theory concerning price-cutting, the registrar, F. G. McGregor, states:

"Instability of prices, when costs are reasonably stable, may be undesirable, but, in the bread business, 'below-cost' prices for any length of time are certain to be disastrous to the baker himself, against the interests of his employees, unfair to competitors, and, in the end, of no advantage to the consumer. A few consumers, for the time being, may get 'something for nothing,' but ultimately it must be at somebody's expense. It is common knowledge, for instance, among those in touch with the bread business, that selling at cost, or less than cost, is a practice likely to lead to 'short weight' in order to make ends meet. Other devices are just as undesirable and are likely to involve inferior quality, disregard for sanitary conditions, lower wages and longer hours for employees, increased risk in doing business, and, finally, bankruptcy if the practice is long continued. In the end the public pays the bankruptcy bill. The public has to meet in part also the losses occasioned by the numerous changes already noted, many of them due to financial difficulties of bakers who have been selling without regard to their costs. Most of the bakers, of course, survive, but the losses they have sustained have to be made up in times of peace, and, in the long run, the community stands to lose rather than to gain by the experience."

Investors in baking securities will be interested to know that the recent merger (involving union of Dent, Harrison's bakery, Aird's bakery and Strachan's bakery under the wing of the Continental Baking Company, of New York) is completely cleared of

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AUTO COMPANIES, FINANCING TIME SALES, CUT COST

One Independent Company Already Squeezed Out of Field

Rumor has it that one of the finance companies, handling instalment sales of automobile paper in Canada, has decided to withdraw from the field and wind up its affairs. The move is significant and reflects the growing importance of the entry of the automobile manufacturing companies into the field of financing automobile sales. Most of the larger automobile companies have either worked out their own financing plans in the past year, either operating through subsidiary financing companies or through independent companies, with whom they have arranged favorable terms. Which ever method has been adopted, the terms that have been made available to the general public have been much more favorable than were obtainable from the independent companies, that formerly controlled the field, and the latter have been forced to meet the competition, in some cases at considerable loss of revenue and profit.

It is said that some of the larger automobile manufacturers have given the public price cuts on their cars in the form of easier instalment terms. Instead of writing down their prices a straight $30 or $40 a car they have taken that much off the financing charge, where it would appear as a much larger concession in the eyes of people buying a car on time—and these represent, it is said, about 90 per cent. of all motor car purchasers.

Another thorn in the flesh of the finance companies is the requirement, being worked out to the point of enforcement by the provincial governments, that they shall not include insurance in a general financing charge but state definitely to the motor car buyer exactly what he is paying for the insurance. In the past, it has been virtually impossible for a car buyer to determine just what he was paying for interest, how much for insurance and how much for other charges, when he bought a car on time. The whole charge was lumped together and very effective concealment of the individual amounts in the total was the result. Now the tendency is to tell the purchaser how much he is paying for each item.

Canada Cannot Afford Its Heavy Sur-Taxes

Country Loses in Curbed Energy and Deferred Enterprises and Loses in Actual Revenue as Well

THE income tax, in the past few years, has shown a striking tendency to "dry up" as a source of revenue. The tax brought in $78,684,355 in 1921-1922; it brought in only $56,248,043 in 1924-1925, and only $53,242,941 in the first nine, and the most important, months of the current fiscal year. This decline in revenue has been occasioned in the face of the progressively more thorough combing of incomes by an income tax department that must have been gaining in efficiency as it has gained in experience. Decline in incomes and increase in the exemption for children can only partially explain a one-third drop in income tax revenue in so short a time.

In the decline in income tax revenue, Canada is merely duplicating the experience of the United States. In that country, there was a decline in the number of large taxable incomes each year that the large surtaxes were in force. For example, there were 1,296 incomes of over $300,000 reported in 1916. In 1921, there were sixteen times as many returns but only 246 of them showed incomes over $300,000. This was the extreme decline, the number later showing increase above the low level. No one will argue that the number of large incomes in the United States declined from 1916 to 1921, a period when creditable estimates had it that 20,000 new millionaires were created by war and post-war business expansion. The number must have at least doubled in that period. The reason that the reported number of large incomes declined was—as able students of the situation have declared—that the sur-tax made tax-evaders of men of big incomes.

Legal and Honest Tax Avoidance

The soubriquet, tax-evader, does not carry any sting of contempt about it, so long as legal tax evasion is in mind. Income tax evasion may be strictly moral and legal just as it may be in other cases, dishonest and reprehensible. The purchase of tax-exempt bonds was the favorite method of tax-avoidance adopted by Americans and was facilitated by the plethora of new issues of such bonds by states and municipalities, taking advantage of cheap money to inaugurate construction programmes.

In Canada, purchase of tax-exempt bonds shares with other methods the job of tax avoidance. The formation of incorporated companies to take over and manage rich men's affairs is a favorite system. It offers numerous advantages, which will be apparent to any one studying the incidence of the income tax on incorporated companies and on individuals. A corporation pays a flat 10½ per cent. rate and no sur-taxes, running up to 30, 40 or even 60 per cent. Its profits are net profits, after deduction of losses taken. Tax avoidance is successfully working in many cases and it is creditably stated that there are many men with incomes of $50,000 or $60,000 a year and more, who do not pay a cent of income tax to the Dominion government, while other men with incomes running to several times either of those figures pay only a small amount.

The high Canadian sur-taxes are driving capital into such holes and corners as to diminish its productive power. Any form of tax avoidance, either legal or dishonest, is accompanied by some form of restriction on the use of the capital of the evader. Such restriction is unfavorable to the development of Canadian productive activities.

Tax Avoidance Will Grow in Canada

Tax avoidance is assuredly likely to become more prevalent now, because of the widened spread between Canadian and United States tax rates, since the United States made its third important reduction in the income tax and particularly in the sur-taxes. The three reductions have all been made within five years. In this connection, it is worth questioning if wealthy Canadians, in many cases, will not adopt the simplest, most direct method of avoiding heavy Canadian sur-taxes by moving their homes, their families and their capital to the United States. In the case of young business men and of elderly retired persons of some means the temptation is indeed strong, even though, with business men in the prime of life, the tie that binds them to their Canadian work may be too strong to sever with ease.

It would be timely, at this juncture, to repeat a much quoted set of figures. These show the progressive reductions in United States income tax levies and also the present Canadian imposts on similar stated incomes. The figures follow:

Taxes for a married man without dependent children on various amounts of taxable income:

	U.S. Rates			Canadian Rates*
Income	Act of 1921	Act of 1924	Act of 1926	1926
$ 3,000	$ 20.00	$ 7.50	$	$ 40.00
4,000	60.00	22.50	5.63	80.00
5,000	100.00	37.50	16.88	126.00
6,000	160.00	57.50	31.88	178.50
10,000	520.00	207.50	129.88	619.50
20,000	1,720.00	1,017.50	819.38	2,089.50
50,000	8,640.00	6,137.50	5,559.38	9,649.50
100,000	30,140.00	22,617.50	16,959.38	32,749.50
200,000	86,640.00	65,617.50	41,959.38	97,849.50
500,000	260,640.00	199,617.50	116,959.38	318,349.50
1,000,000	550,640.00	429,617.50	241,959.38	696,349.50

*Different countries, of course, have different ways of defining income and comparisons cannot be taken as absolute. For instance, in U.S. increased capital value is taxable as income, while in Canada it is not.

Encouragement Needed for Development

The successive American income tax and sur-tax reductions put the issue up to our able and sympathetic minister of finance, and his colleagues, in a manner that can not be avoided. The challenge is clear; the expansive spirit of Canadian business, the adventuresome urge of Canadian investment capital to work for the good of agriculture and industry and for the development of national resources—these need the encouragement that would be provided by income sur-tax reductions.

Sur-taxes bring in such small revenue to the country—probably not over $12,500,000, as was shown last week—they are not worth the price we pay for them in throttled ambitions and stifled enterprise. In fact, Canada can not afford the sur-tax, even on the ground of revenue necessities, since successive cuts to the point of virtual elimination would be likely so to stimulate development as to enlarge Dominion revenues by more than the immediate, apparent decline in income.

Now is the time to take the first forward step. The budget is under consideration and will shortly be brought down in the House of Commons. Some form of tax reduction is certain to be announced; Hon. James A. Robb has promised that. Such tax reduction should include a substantial reduction in sur-tax rates.

Canadians Paid $573,000,000 in Income and Profits Taxes

Taxes paid under the income and business profits taxes of the federal government totalled over $573,000,000 to end of December last. The actual figures are as follows:

Fiscal Years	Income Tax	Business Profits	Total Revenue
1916-17	$	$ 12,506,516.72	$ 12,506,516.72
1917-18	....	21,271,083.57	21,271,083.57
1918-19	9,349,719.80	32,970,061.81	42,319,781.61
1919-20	20,263,739.91	44,145,184.48	64,408,924.39
1920-21	46,381,824.31	40,841,401.25	87,223,225.56
1921-22	78,684,354.80	22,815,666.58	101,500,021.38
1922-23	59,711,538.37	13,031,461.80	72,743,000.17
1923-24	54,204,027.99	4,752,680.89	58,956,708.88
1924-25	56,248,042.82	2,704,427.37	58,952,470.19
Total	$324,843,248.00	$195,038,484.47	$519,881,732.47
1925-26 to Dec. 31	53,242,921.00	....	....

O.B.U. MOVEMENT IS NEW MENACE IN CAPE BRETON

Insurrection Against International Union is Spreading

BREAKING FROM U.M.W.

Paid Organizers Are at Work and Plenty of Money Seems to be Available to Spread Radical Propaganda

From Our Own Correspondent.

SYDNEY.—Nova Scotia has been so busy congratulating itself upon the recently concluded two year contract between Besco and the U. M. W., that a new and sinister menace to the peace of the coalfields has crept up almost unnoticed. This menace is the phenomenal progress that has been made by the One Big Union both in Cape Breton and on the mainland within the past few weeks.

O. B. U. emissaries have been working on the mainland for over a year and a half, and for nearly a year have maintained two strong locals in Stellarton. They also made sporadic efforts last summer to organize the Sydney steelworkers, but met with little success owing mainly to the fact that the men are reasonably satisfied with the plant council system which has been in force since the 1923 strike.

But since the publication of the Duncan report, O. B. U. efforts in Cape Breton have redoubled and trebled. Organizers from Winnipeg have been spending large sums of money on propaganda; offices have been fitted up in Sydney; skilled "talkers" have been agitating day and night for secession from the U. M. W. Publication of a local edition of the O. B. U. Bulletin is also mooted.

Insurrection Spreads

Springhill miners recently rejected the O. B. U. At a mass meeting in Sydney Mines, the men of Florence and other collieries declared by public resolution for secession from the Union and the formation of O. B. U. locals. At Glace Bay and New Waterford many of the best workers in the U.M.W. locals have been converted and are busy "boring from within" the International organization. They will not declare their real purpose until their work is complete and they are ready to carry over their locals to the enemy.

The Sydney Mines men in their formal resolution say:

"Whereas the U. M. W. of A. in this province had proven to be useless in protecting the mine workers from the onslaught made by the coal operators, known as the British Empire Steel Co., the rank and file, assembled together, after intelligently taking into consideration the need of being organized, recommend to all fellow workers to take their part as progressive workers to line up into the O. B. U. Those assembled and agreeable to the forming of the organization of the O. B. U. will notify the Coal Co. that from this date, and on commencing work as an employee, request the B. E. S. to stop collecting any dues or assessments through the check-off for the said union, known as the U. M. W. of A., from us when notified by form prepared.

"Whereas, there is no provision made in the organization known as the U. M. W. of A. for withdrawal only by expulsion, we do notify and declare that the stopping of paying dues by us is sufficient notification of the severing of our allegiance with the U. M. W. of A."

In their present mood, the miners, though dissatisfied with the U.M.W., are by no means ready to throw up the advantages of the two year contract, and it is unlikely that they will openly do so even if, as the O. B. U. organizers boast, the U.M.W. is

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The Trend of Business and Industry

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

Budgeting is Essential Step in Reducing Selling Costs

Business Failure Lists Filled by Merchants Who Don't Know What It Costs Them to Operate

NATURALLY the first step toward lowering the costs of distribution in any line of business is to know what these costs are. Canadian business in many lines is still suffering from a pitiful lack of accurate information on the cost of doing business. The hit-and-miss method has been followed in the past. Competition has shown that such methods will no longer do, and the aggressive merchants of the country are getting down to business—are studying this matter of costs, budgeting, etc. The National Distribution Conference held recently in Washington brought out some valuable information on this all-important subject.

"Lack of accurate knowledge of his business" is the explanation shown opposite one of the largest groups of business failures on the monthly business mortality statement. The commercial failure list is made up largely of merchants and others who have no accurate information on what it costs them to do business—who are following the hit-and-miss policy of their grandfathers, many of whom, however, were much more astute. Those who have managed to stay in the running, under the keenness of modern competition, are those who have begun to study what it is costing them for various items—whether or not delivery pays—whether they are paying more for certain items than their competitors, or than they paid the year before. The only way to determine these things is to have the facts in black and white.

With this object in view, the above mentioned conference made certain studies of costs, and the following statement of operating expenses in retail grocery stores, while too general to be applied directly, is suggestive of what is being done:

	Independent store Per cent	Chain store Per cent.
Net sales	100	100
Cost of goods sold	80	
Salaries and wages	10.9	7.56
Advertising	.35	.67
Wrapping, etc.	.6	.57
Delivery	1.2	.73
Office supplies	.2	.23
Rent	1.3	1.80
Heat, light, power	.3	.18
Taxes & Licenses	.2	.23
Insurance	.2	.29
Repairs of equipment	.1	.52
Depreciation of equipt.	.35	.02
Interest	1.1	
Miscellaneous	.8	1.16
Losses from bad debts	.4	
Total expense	18.0	13.96
Profit	1.8	

When a merchant makes an analysis of his costs such as the above, he immediately sees what portion of his costs is fixed and what items are subject to adjustment. He has little control over insurance, taxes and interest. On the other hand, the percentage costs of salaries and wages, advertising and office expense may be controlled by a merchant who manages his business efficiently. Then there is the other type of expense, that for services and convenience to the customer, such as charge accounts, the returned goods privilege and deliveries. It is well worth careful study to ascertain whether these expense figures are being kept in their proper proportion — whether they are as low as those of merchants in similar lines. The use of accurate cost records is developing rapidly, especially in the United States, and this is one of the big factors in the reduction of selling costs. Trade associations and the trade publications are responsible for much that has already been done in this respect.

Cost of Special Services

One of the factors in raising costs to the consumer is the insistence of certain customers on special service. It is obvious to the thinking person, for example, that the practice of some customers of requiring several articles from which to choose, to be sent to his residence, raises the price of goods to all. Such matters were given special attention at the Washington Conference, and methods were suggested to combat this growing demand for all manner of costly conveniences which are demanded by the few and paid for by the many. A novel plan was submitted which provides for issuing coupons to those purchasers who do not avail themselves of the services and conveniences offered.

The costly duplication in delivering goods is another cause of high prices and commercial failures. The growth of centralized delivery systems is a means that has grown up to meet this problem. In many towns, organizations are now operating usually under the merchants' association, which deliver the goods for all or a large group of the merchants, and thus save expensive and often inefficient overlapping.

What is the answer to all these problems? There is no one answer, but the one that comes nearest to being comprehensive is budgeting. This is one of the most obvious processes necessary for the intelligent conduct of any business. Most of the larger firms budget, but there are many of the smaller, and some of the larger Canadian firms which do not. Owners of the larger stores have been obliged to apply cost accounting systems and other elements of a budget in order to learn the financial results of their policies, and the effectiveness of their sales efforts. Budgeting does not necessarily involve the installation of a costly system of records. The fact is that practically all of the information required to start a budget is contained in the existing records of a business. The basis for estimating future sales is the record of past sales. The same is true of purchases. The operation of a budget system which incidentally is discussed elsewhere in this issue, will entail very little more expense than the upkeep of ordinary business records, but its value will be many times that of the other. This is one of the most essential steps which all business must take in the fight to lower costs of distribution.

Canadian Business Indicators

INDUSTRIAL

Car Loadings—

	1926	1925
Week Mar. 20	56,994	53,362+ 6.8%
Year to date	606,150	577,537+ 4.9%

Grain Receipts—

Aug. 1 to Mar. 19	370,954,419	206,926,520+79.6%

Building—

2 months	$11,623,840	10,885,196+ 6.8%

Railway Earnings—

2 Months—	1926	1925
C. P. R.	$26,083,139	$ 26,683,223+10.1%
Oper. Exp.	22,376,250	21,944,754+ 2%
Net	3,706,889	1,738,469+113.3%
2 Months—		
C. N. R.	35,749,259	33,202,510+ 7.6%
Oper. Exp.	32,803,217	32,317,984+ 1.5%
Net	2,946,042	884,526+2.33%

Pig Iron Output—(tons)

Jan., 1926	Dec., 1925
56,644	54,889+ 3.2%

FINANCIAL

Bank Clearings—

	1926	1925
February	$1,317,595,039	$1,090,429,439+20.8%

Savings Deposits—Chart. Banks—

January	$1,316,288,358	$1,249,622,592+ 5.3%

Current Loans—By Banks—

January	869,591,897	910,697,141— 4.5%

COMMERCIAL

Balance of Trade—

12 months, Feb. 28—	1926	1925
Exports	$1,310,459,464	1,079,088,809+21.4%
Imports	911,107,055	799,248,046+ 14%
Balance	399,352,409	279,840,763+42.8%

Wheat, No. 1 Nor., Winnipeg—

1926	1925
Mar. 29 $1.50	Mar. (Av.) $1.76

Cattle—(Good, Toronto)

Mar. 29 $8.25	Mar. (Av.) $7.44

Hogs—(Select, Toronto)

Mar. 29 $12.75.	Mar. (Av.) $13.41

The Business Outlook

FAVORABLE FACTORS

Larger revenue from production during March than for any March on record.

Employment percentage has turned definitely upward. Gains everywhere except in West. Unemployment lowest in five years.

Exports continue to grow. Year ending February 22 per cent. advance on previous year.

Railway earnings and car loadings reflect the impetus of recovering business. Strong position reflected in 1925 annual statements of railways still further improved.

Current automobile production figures close to record levels, reflecting confidence of producers in enhanced demand.

Further evidence of abundance of funds available for investment and for business expansion.

Retail business reported reflecting impetus of spring demand in all sections of country.

Demand for steel still at high level, reflecting better conditions in industry.

UNFAVORABLE INFLUENCES

Lack of optimism still exists, although it is gradually being worn down.

Uncertainty as to probable action of Federal Government in regard to tax reductions creates temporary business uncertainty.

Foreign products entering the country make it difficult for Canadian producers in many lines.

Unemployment Lowest in Five-Year Period

Canada is freer from unemployment to-day than during any spring for at least five years. The 1926 employment curve is much nearer 100 per cent. (indicating no unemployment) than it has been probably since the war years. There is, of course, still a certain degree of unemployment. It is largely confined to the large cities and certain industrial centres.

With regard to the various areas of the country, a decided improvement is noted at the beginning of March in the Maritimes, in Quebec and in Ontario. A loss is reported from the Prairies and a slight recession from British Columbia. Taking all combined, however, the index of employment has risen from 90.7 per cent. at the beginning of February, and 87 at the beginning of March last year to 91.5 at the first of March, 1926. All of the larger cities showed improvement with the exception of Ottawa and Vancouver.

In the various industries, employment in manufacturing moved up in March; in logging and mining operations there were seasonal recessions; in transportation and communication and in construction and maintenance there were slight declines in the volume of employment.

Quarter Billion Rise in Last Year's Exports

An increase of nearly a quarter-billion dollars in Canada's exports for the year ending February shows something of the progress our foreign trade is making. The year's figures are $1,310,459,464, an advance of 22 per cent. on last year's total. Imports for the year were $911,107,055 against $799,248,046, an advance of 14 per cent.

Farm products were responsible for the greatest part of the increase in exports, but some other groups advanced almost as much, notably wood and paper, iron and its products and non-ferrous metals.

With regard to markets, by far the largest increase in purchases from us was made by the United Kingdom. The figure went up from $393,923,201 to $502,232,030, while in the case of the United States, our exports went up from $418,103,775 to $473,980,047. Taking the various sections of the British Empire as a whole, exports from Canada increased from $472,765,964 to $589,427,923.

During the period under review Japan has stepped up to third place in Canadian trade, having taken $31,209,124 worth of our goods against $22,133,454 last year.

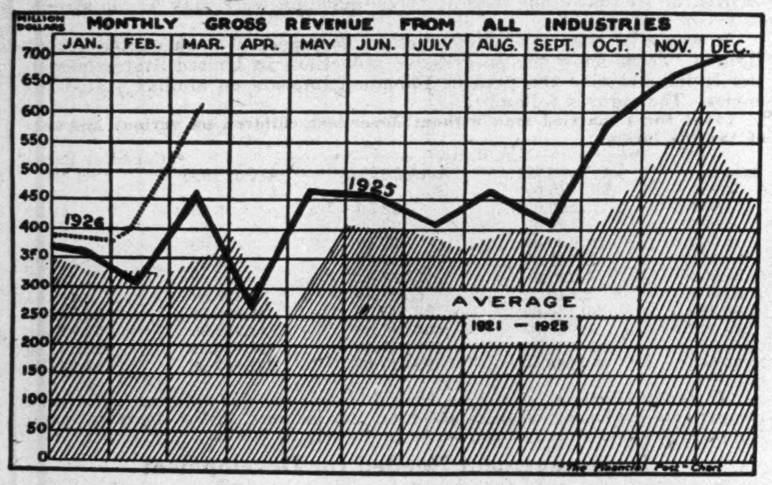
Exports and imports for the first two months of this year and last were:

	1926	1925
January		
Exports	$84,718,819	$75,347,012
Imports	69,736,142	58,375,502
February		
Exports	$87,512,147	$70,126,125
Imports	70,908,980	84,638,070

All Records Broken by March Production Total

Revenue From All Branches of Industry More Than $150,000,000 Above Figure for Same Month Last Year

The volume of production in Canada for the month of March was far in excess of any previous record for that month. The gross revenue from all branches of industry was $626,549,260. This includes gross revenue from the sale of grain and other farm products during the month as well as from all other branches of industry. The production graph normally takes a decided upward turn during the third month of the year. Last year it rose to a total of $468,027,600 but the figure for the current year has exceeded that by more than $150,000,000.



As the figure shown for gross revenue takes account of production in all industries, and is based on the volume of exports, it provides a total which may be used as a total of money put in circulation during the period, or the total purchasing power of the country. While there are many indications in the business situation which warrant optimism, none is more significant than this radical upswing in the volume of money actually in circulation, and the high scale of productive activity which it reflects. Comparative figures for the first three months of last year and this were:

	1925	1926
Jan.	$351,020,700	$363,562,500
Feb.	312,018,400	406,872,120
Mar.	468,027,600	626,549,260

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A General Banking and Foreign Exchange Business Transacted.

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give
Financial Assistance
to Estates being administered by it
PAID UP CAPITAL
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The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office, Winnipeg.
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Step off the train — step aboard the ship!
Sail to Europe on one of the Canadian Pacific liners from St. John, N.B. Relax yourself amongst luxurious appointments and enjoy carefree days on the Atlantic. Through sleepers take you direct to the ship's side.
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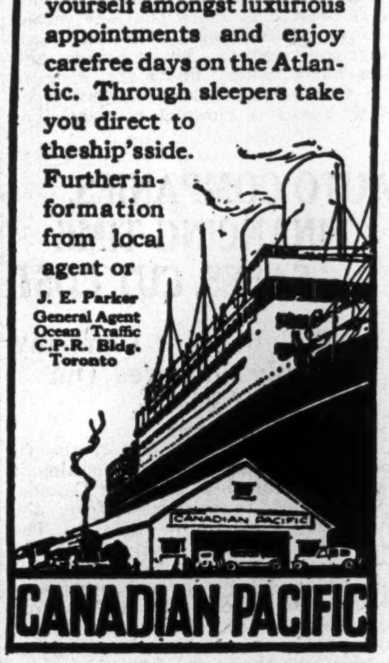
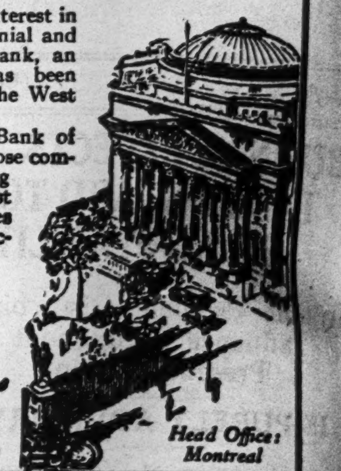
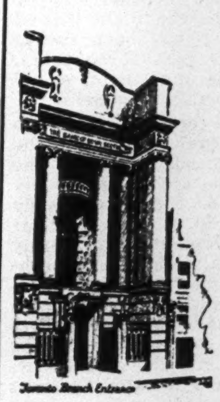


CANADIAN PACIFIC

IN CLOSE TOUCH with THE WEST INDIES
THE Bank of Montreal holds an interest in Barclays Bank (Dominion, Colonial and Overseas), formerly The Colonial Bank, an institution that for generations has been established in the chief centres of the West Indies and British Guiana.
By reason of this association, the Bank of Montreal is able to offer its clients close competitive rates and complete banking service for business with the West Indies, among the important advantages offered being facilities for obtaining accurate local information.
BANK OF MONTREAL
Established 1817
Total Assets in excess of $750,000,000



In Cuba—
We have branches in the important business centres — Havana (4 branches), Cienfuegos, Santiago and Manzanillo—and especially invite correspondence with those who wish to extend their business to Cuba.
THE BANK OF NOVA SCOTIA
Established 1832
Capital $10,000,000. Reserves $19,500,000.
Total Assets $240,000,000.



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It is by far the easiest Typewriter to operate. It responds swiftly to the lightest touch. The beauty of its type adds distinction to letters. It is built of durable materials, and the construction is as perfect as human ingenuity can devise.
You can buy a Remington Model 12 on easy terms, and we will take your present machine as part payment in exchange. For particulars sign and mail this advertisement to us.
Name.................................
Address..............................
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OF CANADA LIMITED
68 King Street West, Toronto 2.
J. A. Wright, Provincial Manager.

Head Office TORONTO

Collection Service
With branches and correspondents throughout Canada and strong financial affiliations abroad, we are in a position to make prompt collections in all parts of the world. Acceptances are quickly obtained, payments promptly transmitted—details are carefully and accurately handled.
THE DOMINION BANK
Established 1871
49

The Conquest of Canada—by Advertising

Flood of American Magazines Made Possible Because of Goods Sold for U.S. Manufacturers — Canadian Publishers Have No Protection

THAT the application of a moderate tax on newspapers and magazines coming into Canada will not only mean the expansion of the Canadian publishing industry to the extent of $15,000,000 a year, but that the fostering of Canadian periodicals as opposed to those coming into the country, mainly from the United States duty free, will have a far-reaching effect on our industrial and social development has been strongly established in the presentation of the case for protection for the industry at Ottawa.

The additional $15,000,000 in the industry would benefit labor in the printing and allied industries, and the manufacturers of paper, ink, engravings and other supplies and equipment as well as the publishers. The effect on changing the reading habits of the Canadian people in directing their attention to Canadian products rather than goods manufactured in the United States may be realized when it is pointed out that 60,000,000 copies of United States newspapers and magazines, carrying over 4,400,000,000 pages of advertising are circulated in Canada in a single year. And every year the Canadian circulations of foreign publications are increasing. The matter is one which seems to demand immediate attention.

The Produced-in-Canada campaign is one in which Canadian manufacturers have succeeded in arousing a great deal of public interest. But with over 25,000,000 pounds of advertising coming into the country each year, without paying a duty of any kind, all directed to selling American products, it is at once apparent that the campaign is fighting a serious handicap.

Recently in The Saturday Evening Post there was a series of articles showing how American trade was penetrating the markets of the world because of the wide circulation of American movie films. If the mere showing of the products of the manufacturers of the United States in a moving picture has been a factor in selling these products, consider how much more effective the flood of American advertising in Canada must be in the marketing of these same products in this country.

Then, too, there is the very sound argument of the psychological effect of the great flood of foreign publicity. It not only has the effect of creating a demand for the goods specifically advertised but it has the effect of creating the habit of asking for foreign goods—the idea grows that foreign goods are superior and the foreign label is accepted as meaning something smarter in style or superior in quality.

The psychological factor applies, too, in the development of a deprecatory attitude towards our own industries and institutions as compared with those of other countries. There is abroad in Canada to-day a feeling that the United States is "the only place" for the young man. It is small wonder when the enormous circulations of the greatest advertising mediums in the world, advertising American goods and glorifying American industry and American business, coming freely into this country, are taken into consideration.

The definite proposal of the publishers which has been laid before the government and in regard to which immediate action is asked, is as follows:

"A specific duty of 10 cents per pound on all foreign magazines, periodicals and newspapers coming in by mail, freight or express, without refund of duty on unsold copies returned to country of origin.

"This would remove our handicaps and equalize publishing conditions in Canada and the U.S. It would immediately reduce the number of U.S. magazines imported into Canada and so permit Canadian periodicals to develop and extend to a point where we will print in Canada the bulk of the periodicals we read—as we should."

Sound Case for Protection

For the protection of their industry the publishers make a case, forceful in its logic and sound in its conclusion. If, they say, there is a duty of 25-35 per cent. on paper, 20 per cent. on ink, 20 per cent. on engravings, 22½ per cent. on art work, 10-25 per cent. on machinery, 15c. a pound on advertising material and 10 per cent. on books or pamphlets, how can it be sound economics to allow the product of such materials, when in the form of newspaper or magazine, to come in entirely free. As to the effect of this incongruous situation in respect to the duty, the publishers submit:

While it is a fact that Canadian publishers buy their raw material in Canada, they have to pay prices that are practically equivalent to U. S. prices plus the tariff and import sales tax, so that they pay the tariff wherever they purchase their material.

In effect this means that U. S. and foreign magazines are encouraged and protected by Canadian legislation to the detriment of the Canadian product—a most unfair condition.

Is it any wonder that with these handicaps Canadian magazine publishers find it almost impossible to compete with the flood of foreign periodicals swamping this country, which have circulation in their own country of from 100,000 to 2,500,000 copies, and which can easily run off 10,000 to 100,000 extra copies for the Canadian market at little extra expense except for labor and material.

The above conditions would make it advantageous for a Canadian publisher to establish a plant in Buffalo or Detroit, and employ U. S. labor and ship his publication into Canada to be mailed here by the Canadian Post Office, thus robbing Canadian labor of its rights and the government of the duty on unprinted paper; or, in other words, we could bring in a carload or more of printed magazines duty free on the same train on which a carload of blank paper would be delivered, but on which duty would be payable.

The discontinuance within a few years of such Canadian publications as Canada Weekly, Canadian Courier, Woman's Century, Pictorial Review, Listening Post, Everywoman's World, and others, out of a relatively small list is proof of the seriousness of the handicaps under which Canadian publishers have to labor.

To Serve the Advertiser

If the advertising material coming into Canada in these foreign magazines was sent in in the form of circulars, etc., it would pay a duty of 15 cents a pound. Now it comes in entirely free of taxation. It is the foreign manufacturers with their goods to sell through advertising thus circulated who make this possible. The price which the publishers of such periodicals as Liberty and the Ladies' Home Journal charge their readers pays but a fraction of the cost of publication. These publications live by virtue of their advertising revenue and they must be able to help the advertiser sell his goods or this revenue would dry up.

In the foregoing is the reply to any suggestion that Canadian magazines can build up circulations in the United States. It need hardly be pointed out here that the United States tariff effectively prohibits Canadian manufacturers from successfully competing in the American market. Therefore, as Canadian magazines cannot successfully advertise Canadian goods to Americans it becomes impossible to secure a revenue from circulation in the United States which would justify such circulation being built up.

In a word American publications come into Canada for the purpose of selling American goods in Canada and not to supply the people with reading material.

What the Canadian manufacturers think of the situation was indicated by the following resolution passed at the annual meeting of the Ontario boards of trade and chambers of commerce at Kingston recently:

Whereas, the advertising in American magazines creates a large Canadian demand for a variety of American-made goods; and,

Whereas there is a duty of fifteen cents per pound on all advertising matter coming into Canada from the United States; and,

Whereas, some American magazines are largely advertising matter, but, as magazines, enter this country free of duty;

Resolved. that the Ontario Associated Boards of Trade and Chambers of Commerce urge that the Dominion government consider this situation and the advisability of a duty on magazines in proportion to the amount of advertising therein.

Likewise the Canadian Manufacturers' Association, in convention, went on record as follows:

Whereas it is of the utmost importance that national magazines, periodicals and similar journals should be encouraged in Canada, and

Whereas this is almost impossible owing to the dumping of foreign publications into Canada, and,

Whereas many of these publications, far from being educational, are undesirable in character, and,

Whereas, many others contain so much advertising that they are practically catalogues,

Therefore be it resolved that the Canadian Manufacturers' Association in annual meeting assembled at St. Andrews, N. B., respectfully urge the Dominion government to impose a tax on such imported publications.

The Advertising Value

That Canadian circulation of American magazines is regarded as having a real advertising value is indicated by the fact that American manufacturing concerns with branch factories in Canada charge these factories with a portion of the total cost of advertising in publications with international circulations. It is estimated that about $500,000 a year is thus expended by Canadian concerns for advertising in American publications which might otherwise be spent in Canada. And it is estimated that another $500,000 of such advertising is not directly charged up in this way but would be available for buying advertising in Canadian publications if American periodicals did not circulate so freely here.

According to figures issued by the Bureau of Statistics, the value of foreign magazines, newspapers, and periodicals, imported into Canada, has jumped from $881,621 in 1912 to $2,775,885 in the fiscal year 1924-1925.

The increase in the number of copies of magazines is even greater than the above figures show because the prices of several of the largest sellers have been reduced during this period. The actual increase is 50 per cent. in the Canadian circulation of some 25 U. S. publications in a matter of three years. These 25 U.S. publications alone—out of a total of over 300—have a circulation in Canada of nearly 20,000,000 copies a year.

The total circulation in Canada of U.S. magazines is over 40,000,000 copies annually. For every copy of a magazine printed and produced in Canada, we import more than eight copies of U.S. magazines. To this figure must be added the U.S. daily and week-end newspapers which are beginning to flood this country almost as widely as the U.S. magazines. Between another 15 to 20 million copies of these U.S. newspapers enter Canada annually.

Hardware Stocks Smaller; Volume of Business Up

According to an investigation just completed by Hardware and Metal, stocks of hardware on hand have decreased, as has also the cost of carrying on business. The volume of business, meanwhile, rose. The records indicate that average stocks have been reduced almost as far as it is possible, consistent with good business policy, but the possibilities for greater volume of business are almost unlimited.

In respect to inventories, 50 per cent. of merchants reporting showed a decrease in average stocks, the amount of their reduction averaging 10.2 per cent. compared with the previous year. The other 50 per cent. of merchants reporting showed an increase in average stocks, their increase averaging 8.2 per cent. The average of all returns was, therefore, a reduction of one per cent. in average stocks.

Returns on volume of business done in 1925 showed that 52 per cent. of merchants reporting had a decrease in volume compared with 1924, this decrease averaging 11.2 per cent. The other 48 per cent. of merchants reporting had an increase in volume in 1925, compared with 1924 of 18.8 per cent. The average of all returns was, therefore, an increase of 3.8 per cent. in volume in 1925.

The average figure on rate of turnover among merchants reporting was 2.89 turns of stock in the year 1925. This compared with 2.74 turns in the previous year. A slight increase in the rate of turnover is only to be expected with lower average stocks and an increased volume of business, such as is indicated by other figures given in this survey.

As might also be expected under these circumstances, the percentage of net profit on sales showed an increase, this being 6.5 per cent. in the year 1925, compared with 5.45 per cent. in 1924.

The average cost of doing business also showed reduction during the year 1925, thus showing response to the endeavors of merchants to establish greater economy of operation wherever possible.

WOULD ELIMINATE TAX ON RECEIPTS

Trade Organizations Object to Tax on Ground That It Impedes Business

MONTREAL.—The federal government has been asked to eliminate excise stamps on drafts and receipts because they are considered vexatious means of raising revenue. Since this tax was levied several associations have taken objection to it on various grounds, chief among which is the fact that it impedes business.

In a resolution passed recently the Canadian Credit Men's Trust Association pointed out:

"This tax has proven vexatious, burdensome and unfair; the latter, in the first place owing to the fact that there is a very considerable amount of duplication in the cost of excise stamps affixed to drafts which arises through non-acceptance by the drawee or failure on the part of the drawee to meet the drafts on due date of maturity, and owing to the excise stamps being cancelled prior to presentation of the drafts by the collecting bankers, necessitating new and uncancelled stamps to be affixed again, when new drafts covering the same amounts owing are issued.

"Also, whereas, in the second place, it is the opinion of the members of the association that the act is unfair, in its enactment and operation, owing to the fact that the affixing of excise stamps to receipts for moneys received is evaded to a very considerable extent, which practice is apparently on the increase and which not only causes the act to be particularly ineffectual in its express purpose of providing revenue, but is also palpably unfair to those parties who comply with the act:

"Be it therefore resolved that the proper members of the association be instructed to make representations to the federal government urging that such enactments shall be made as quickly as possible which will assure relief for the vexatious and unfair burden involved in affixing excise stamps or any stamps, to drafts, and receipts for moneys received, and that other and more equitable and less vexatious means be taken for securing the required revenue."

B. C. APPLES FOR THE WORLD

VERNON. — Export shipments of apples by the Associated Growers for the past season, included the following: 65 cars to Scandinavian countries, 8 cars to China, 29 cars to Germany, 4 cars to Newfoundland, 18 cars to South Africa, 42 cars to New Zealand, 55 cars to the United States, and 405 cars to Great Britain. In addition, 108 cars were shipped to Ontario and Quebec, which are often considered as export markets.

Across Canada and Back

Marvelous beyond conception inaptly describes the glories of Canada's Rockies. To be fully appreciated they must be seen. To start out on a trip by one's self into this unfamiliar but far-famed paradise-on-earth, to many appears quite a task. Realizing this, Dean Sinclair Laird, of Macdonald College, an experienced Rocky Mountains Traveller, for the third year in succession, has undertaken to conduct a party through this glorious wonderland.

A special train of dining, standard sleeping, and observation compartment cars has been chartered, to leave Toronto on July 19th via the Canadian Pacific Railway. Stops will be made at Port Arthur and Fort William, which together form Canada's greatest grain port; Winnipeg Beach, the popular summer resort for Winnipegers; Winnipeg, Canada's third largest city; Indian Head, the chief tree distributing centre of the Federal Forestry Branch; Regina, the capital of Saskatchewan; Calgary, Alberta's largest city; Banff, the world-famous mountain resort; by automobile for 104 miles over the Banff-Windermere Highway, the most spectacular drive in Canada; through Kootenay Lake to Nelson, the commercial centre of Southern British Columbia; then through the Doukhobor country to Penticton; along lovely Okanagan Lake, and to Vancouver, thence by steamer to Victoria.

Returning, the trip will be by the main line of the Canadian Pacific, through the great canyons of the Fraser and Thompson Rivers, and through the Selkirks, and Rockies, affording scenery such as can be found nowhere else on earth; Lake Louise, the Pearl of the Rockies, the most perfect gem of scenery in the world; another day at Banff, Edmonton, the Capital of Alberta; Saskatoon, the city of optimism; Devils Gap Camp, on the Lake of the Woods, near Kenora, thence to Fort William, where one of the fine Canadian Pacific Steamers will be used across Lakes Superior and Huron to Port McNicoll, then rail to Toronto, where the trip will terminate.

Everything is included in the price of $330.00, from Toronto; transportation, sleeping cars, accommodation in hotels, and bungalow camps, meals in diners, hotels and on steamers, and sight-seeing tours at points visited.

The trip is open to all, and applications for accommodation, are being received.

Fares from other points than Toronto will be named, and descriptive illustrated booklet sent on application to Dean Sinclair Laird, Macdonald College Post Office, Que.

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SUSPENDERS
A Brace of Distinction
WIDELY IMITATED
YOUR PROTECTION IS THE NAME ON THE BUCKLE
PRICE $1.00 EVERYWHERE

CANADIAN BANK NOTE COMPANY
LIMITED
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BANK NOTES AND CHEQUES
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AND OTHER
MONETARY DOCUMENTS
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Branches
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(LIMITED)
Contracting Engineers and Builders
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can be perceived only from close observation of actual conditions.
Our Monthly Commercial Letter simplifies this for you by presenting an accurate survey of current business conditions all over Canada.
Sent free on request.
THE CANADIAN BANK OF COMMERCE
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Bureau of Canadian Information
Ask the Canadian Pacific about Canada
CANADIAN PACIFIC
THE Canadian Pacific Railway through its Bureau of Canadian Information, will furnish you with the latest reliable information on every phase of industrial and agricultural development in Canada. In our Reference Library, maintained at Montreal, are complete data on natural resources, climate, labor, transportation, business openings, etc. Additional data are constantly being added.
Development Branch—If you are interested in the mining wealth and industry of Canada or in the development or supply of industrial raw materials available from resources along the Canadian Pacific Railway, you are invited to consult this Branch. An expert staff is maintained to investigate information relative to these resources and examine deposits in the field. Practical information is available as to special opportunities for development, use of by-products and markets, industrial crops, prospecting and mining.
"Ask the Canadian Pacific about Canada" is not a mere advertising slogan. It is an intimation of service—without charge or obligation—that the information is available and will be promptly forthcoming to those who desire it.
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J. S. DENNIS, Chief Commissioner. Windsor Station, Montreal, Can.

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A small telephone bill may be an indictment of your selling methods
"Sold $750,000 worth of bonds today by Long Distance"
—Writes a Toronto Bond Dealer
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MONTREAL OFFICE
Canada Life Building

Established 1901
E. R. WOOD, President

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Head Office: 26 King Street East
TORONTO 2

The Securities Markets

WILD BREAKS IN NEW YORK HOLD UP THE CANADIANS

Little Selling Has Developed on Local Exchanges, But Buyers Are Wary

Market Indicator

20 Industrial Stocks	High	Low
Week of Mar. 30	91.3	79.2
Week of Mar. 24	92.2	89.0
Mth. of Mar., 1925	75.6	68.3
9 Bank Stocks		
Week of Mar. 30	$225	$224
Week of Mar. 24	225	224
Mth. of Mar., 1925	208	204
10 Public Utilities		
Week of Mar. 30	93	92
Week of Mar. 24	94	93
Mth. of Mar., 1925	85	81

Canadian markets have not made much progress during the past week. While they have not followed New York in its series of wild breaks, nevertheless Gotham has wielded a disquieting and disturbing influence. Canadians have not rushed in to sell, and what little selling in Canadians that was forced by the New York sensation, was seemingly well taken care of, but there is not much public buying. The professional element has been active in a few select issues but is seemingly as wary as the public. All are watching New York.

Under all the circumstances stocks in the paper group stood up very well. In fact Price Brothers registered an advance, while Brompton and Belgo-Canadian preferred and Spanish preferred showed little change. Abitibi and Howard Smith were the weakest spots.

The general weakness in the market was not generally felt in the steel group. In fact, Steel of Canada made a gain of one point and the Besco stocks held comparatively firm. Dominion Iron preferred was off sharply and Canadian Car down a point. Massey-Harris common was in demand recovering to 54.

In the foodstuffs section prices of speculative favorites like B. C. Fishing sagged considerably. Atlantic Sugar, Canada Bread, Canadian Bakeries and Wm. Davies, showed moderate declines and City Dairy com. sold down nearly five points, although preferred gained a point. In the milling section Lake of the Woods, Ogilvie and Western Canada Flour sold down but International Milling gained a couple of points.

The utility stocks were generally somewhat easier with such favorites as Bell Telephone, Consumers Gas, Quebec Power, Shawinigan and Montreal Power showing moderate declines. Mackay com. and Mexican Light com. and Ottawa pref. were higher. Brazilian sold off a couple of points and others in the traction group like Winnipeg Electric, Twin City and Porto Rico also sold down, but Barcelona showed a slight gain and Montreal Trams also sold higher.

Stocks in the textile group were not much affected by the general movement. Dominion Textile was down a point but Converters, Canadian Cottons and Penmans held steady and Montreal Cottons preferred was half a point higher.

In the general industrials quite a number of declines were recorded including American Salesbook, Asbestos Corporation, F. N. Burt, Canada Cement, Goodyear Tire, and National Breweries. On the other hand Lyall Construction, Port Hope Sanitary, Sherwin Williams and Woods preferred sold higher.

Bank stocks generally were a little easier although Imperial, Royal and Toronto registered gains.

	Gains	Loss	Unch.	Total
Banks	3	1	5	9
Paper	1	10	..	11
Steel	2	8	8	18
Foodstuffs	3	18	6	27
Utilities	4	8	6	18
Tractions	3	6	1	10
Textiles	2	1	5	8
Industrials	9	11	7	27
Totals	27	63	38	128

DEMAND STERLING REPORTS
CERTIFIED by REGISTERED PROFESSIONAL ENGINEERS
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No Compromise in Security Value

KOOTENAY POWER 1925 REPORT SHOWS MUCH BETTER YEAR

Both Gross and Net Earnings Up—40,000 H.P. Added to Output

From Our Own Correspondent.

MONTREAL.—In keeping with the increased earnings of its parent company, the Consolidated Mining and Smelting Company, the gross earnings of the West Kootenay Power and Light Company for the year ending December 31, 1925, increased from $683,516 in 1924 to $1,041,125.

After payment of all charges, including largely increased allowances for depreciation and sinking fund, there remained applicable to dividends the sum of $39,368, as compared with $32,897 last year.

Changes in the balance sheet include an increase in the amount invested in plant of over $1,000,000. Cash on hand now stands at $75,108, as compared with $26,250 at the close of 1924. Accounts receivable, which last year were almost $500,000, are down to $19,000.

Amongst the liabilities the outstanding bonds are down by $100,000, and bills payable now stand at $219,334, as compared with $22,052 last year. The reserves have been increased by almost $100,000.

In his report to the shareholders, the vice-president and general manager, Lorne A. Campbell, said that indications point to a gradual improvement in the territories served by the company.

The company completed the installation of two 20,000 h.p. units in its plant during the past year, and arrangements have been made for the installation of another 20,000 h.p. unit. This work has begun and should be completed by the summer. The additional output from the month of June last was responsible for the increased earnings of the company.

The profit and loss figures over the past three years compare as follows:

	1925	1924	1923
Gross	$1,041,125	$683,516	$690,574
Expenses	344,772	241,619	211,839
Balance	$696,353	$441,897	$478,735
Bond int.	172,751	106,768	88,334
Balance	$523,602	$335,129	$390,401
Deprec.	364,863	232,655	284,264
Balance	$158,739	$102,474	$106,136
Written off	311	199	30,514
Sink. fund	95,854	69,378	37,984
Balance	$ 62,574	$ 32,897	$ 37,637
Other int.	23,206	......	......
Balance	$ 39,368	$ 32,897	$ 37,637
Dividends	35,000	x35,000	x35,000
Balance	$ 4,368	$ †2,103	$ 2,637
Tax adjust.	870	2,170	......
Surplus	$ 5,238	$ 67	$ 2,637
Prev. bal.	11,374	11,309	8,672
P. & L. bal.	$ 16,612	$ 11,376	$ 11,309

xPreferred only.
†Deficit.

MERGER STORY DENIED

In connection with a report from Vancouver of the probability of an alliance between the Canadian Fishing Co. and Gosse-Millerd Co., the statement is made to The Financial Post by the Canadian Fishing Co. that such an alliance has not been considered. A statement received says: "The Canadian Fishing Co., Ltd., have at no time considered an alliance with the Gosse-Millerd Co., and at no time have the Gosse-Millerd Co., approached our company with such a proposal."

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week end.	1926	1925	Change
Mar. 21	$3,129,000	$2,910,000	+$219,000

CANADIAN NATIONAL RAILWAY

Week end.	1926	1925	Change
Mar. 21	$4,881,526	$4,187,874	+$693,652

SOUTHERN CANADA POWER CO.

	Feb. 1926	1925	Incr.
Gross Earn.	$117,747.97	$99,133.89	$18,614.08
Oper. exp.	38,114.47	45,010.38	x6,895.91
Net earnings	$79,633.50	$54,123.51	$25,509.99
5 Months ended Feb. 28th—			
Gross earn.	582,792.52	480,701.29	102,091.23
Oper. exp.	188,785.21	223,114.66	x34,329.45
Net earn.	394,007.31	257,586.63	136,420.63

xDecrease.

Provinces May be Tempted to Raise Stumpage Dues

Recent Prices Paid in Quebec Indicate Increasing Value of Timber Limits — Possible That Government May Raise Prices to Bring Them in Line With Values.

From Our Own Correspondent.

MONTREAL.—The recent auction sale of timber limits by the province of Quebec provides much food for thought for investors in paper stocks. Adelard Tremblay, of Chicoutimi, purchased 200 square miles on the watershed of the Chamouchouane river at a price of $5.50 over the upset price; translated, this simply means that this operator will pay the regular stumpage dues of $2.70 plus $5.50 for every 1,000 feet B. M. annually cut on these limits. This works out at a price of around $40 to $50 an acre, payable to the province as and when cut. Incidentally, the lease carries with it no obligation to cut the timber.

The price for the tract, if taken as an appraisal value for other similarly situated limits, would add immensely to the value of the paper companies holdings and indicates just how valuable timberlands in Canada are becoming.

This naturally brings up the question of the price which the provincial governments are obtaining for their timber lands. It would seem apparent, that if limits are worth around $45 an acre to some purchasers, for the future, the provincial governments may decide that present prices are too low and, in the case of the province of Quebec, it might be that the present stumpage rate of $2.70 per cut of 1,000 feet B.M. will be increased. Such an increase would apply to all operators; all that is necessary is a provincial order in council raising the stumpage rates. This has occurred in the past, and with the increased price paid for these limits, there would seem to be an excellent chance of its occurence again.

Cheap Wood Brings Profits

Parenthetically, it is to be noted that there is only one factor which allows the Canadian pulp and paper companies to operate at a profit; that is the cheap supply of wood which, in the majority of cases, is cut from crown lands. The provincial governments recognize this; their attitude seems to be that of fixing prices which will allow favorable competition by the Canadian companies with those situated south of the border. If any increase in the rentals of timber limits should come, the best interests of both the country at large and the operators would be best served by assuring that the increased government revenues should go back into the forests. At present forest revenues are distributed here, there and everywhere; there is no real forest policy anywhere in Canada—a policy which would ensure a sensible and economic use of our resources.

Timber limits in Quebec are sold by auction; a definite sum of around $500 or $600 per square mile is paid down and the bidding takes place only on the annual stumpage dues. In Ontario, the prices of timber limits are at about the same level as obtain in Quebec, only timber tracts there are leased for a definite term of years.

Many Bids at Auction

There were three firms bidding for the high priced limits which were acquired by Tremblay. If then the government can obtain prices for certain tracts almost three times as great as prevailing stumpage dues, seems probable that both Ontario and Quebec may consider that prices in the past have been too low. Stumpage dues at present on most Quebec limits are at around $2.70 plus ten or twenty cents per 1,000 feet B.M.

Incidentally there are many forest authorities who consider that the price of newsprint should be $75 a ton in order to provide a sufficient margin to re-invest in the forest. This would allow $5 a cord to go back into the forest resources of the Dominion—a figure which some foresters believe to be the minimum amount which would provide for a sensible forest policy.

Can Not Help U. S.

However, in all this, it is to be remembered that any taxes which the provinces might place on the pulp and paper companies would increase operating costs and thus give a decided fillip to pulp and paper production in the U. S.—a thing which at present should be avoided; any real increase in the newsprint production in that country at present would have a highly deleterious effect on the Canadian newsprint industry.

So, while all agree that more money should go back into the forests, it is hard to see in what way the Dominion's forest reserves can benefit, unless public opinion is willing to place the U. S. newsprint industry on a more equitable basis with the Canadian than it is at present. It is an unfortunate situation, for the Canadian mills, with much consequent benefit to the Dominion at large, are doing their best to supplant the newsprint production of the U. S. Eventually the U. S. production of newsprint will become a minor factor in the market, instead of occupying a dominant position, as it does at present.

PROFITS MADE BY WESTINGHOUSE CO. OVER $1,077,000

Successful Year Reported to Shareholders at Annual Meeting

Earnings of $1,473,386 and net profits for the year of $1,077,386 were outstanding features of the annual statement presented to the shareholders of the Canadian Westinghouse Company Ltd., at the annual meeting held this week. The statement was accepted as reflecting a very satisfactory year's business.

Out of total earnings as shown, $245,000 has been written off for depreciation of property and plant and a provision made of $131,000 for the payment of Dominion taxes for 1925, also $20,000 has geen transferred to the pension fund, leaving net profits of $1,077,386. Dividends at the rate of 8 per cent. and an extra dividend of 2 per cent. were paid, amounting to $743,290, leaving a balance of $334,096.83 carried forward to profit and loss, which account shows as of Dec. 31, 1925, a surplus of $3,621,541.

Mr. Westinghouse in presenting the annual report said:

"The diminution in domestic trade and commerce reflected itself in a proportionate curtailment of production and profits realized by your company. Of assistance in keeping up the volume of business within a reasonable degree of the year preceding were orders booked in 1923 and 1924 for large generators and other apparatus, delivery of which extended into 1925, and during the closing weeks of the year under review additional orders for large apparatus were awarded us, which are now in the preliminary stages of fabrication for delivery in 1926. Notable among the year's activities was the considerable amount of business booked by your company incident to the establishment of new pulp and paper plants, and of extensions and additions to plants already in existence."

Total assets of the company now stand at $12,769,791. Included in this are Dominion War Loan bonds amounting to $282,431, accounts and bills receivable of $1,751,701, property of $5,786,927, and stock on hand valued at $3,826,453.

The board of directors was unanimously re-elected. Officials of the company are: H. H. Westinghouse, chairman of the board; Paul J. Myler, president; L. A. Osborne, vice-president; F. A. Merrick, vice-president; N. S. Braden, vice-president: H. U. Hart, general manager and chief engineer; W. E. Sprague, secretary; George R. Kerr, treasurer; H. M. Boswick, manager of sales; C. H. O. Pook, manager of works.

Home Assurance Company Doubles Its Earnings

A marked improvement in the volume of business written during 1925 is reported by the Home Assurance Company of Canada, operating in the provinces of Alberta and British Columbia.

This company commenced operations in the fall of 1923, and it was well into the following year before it was operating in full throughout Alberta. Organization costs were heavy for 1924, its first full year of business, but the year was completetd without impairment of capital. During the past year the province of British Columbia was opened up and the company was enabled to more than double its income over the previous year. For 1926 so far the improvement has continued, and a much larger volume of business has been done than during the first quarter of last year. A condensed statement as of December 31, 1925, shows total assets of $58,384. The authorized capital of the company is $500,000, of which $456,100 is subscribed, and $51,054 paid up.

Good Increase in C.P.R. Net for Feb.

From Our Own Correspondent.

MONTREAL. — Earnings of the Canadian Pacific Railway in 1926 continue to show a marked improvement over the results of a year ago. The earnings during the month of February are the best net showing since February, 1918, whilst the net earnings for the first two months of the year show an increase of more than 100 per cent. over the first two months of 1925. The road's earnings during the month increased over $800,000 and, with an increase in the working expenses of only $76,000, the net for the month was up $750,000. The usual seasonal contraction in the gross earnings as compared with January is seen, but net earnings during the month showed an improvement over the first month of the year.

(The folowing are the gross earnings, working expenses and net profits for the month of February and for the first two months of the year, with comparisons with 1925:

February—	1926, $	1925, $	Inc., $
Gross	12,613,008	11,786,710	826,297
Wk. exp.	10,707,977	10,632,009	75,967
Net	1,905,030	1,154,700	750,330
Two months:			
Gross	26,083,139	23,683,223	2,399,915
Wk. exp.	22,376,250	21,944,754	431,495
Net	3,706,889	1,738,469	1,968,419

Regent Knitting Mills' Earnings Increasing

From Our Own Correspondent.

MONTREAL.—The annual report of the Regent Knitting Mills for the year ending December 31, 1925, reveals satisfactory progress. The chief investment interest in the report centres on the earnings applicable to bond interest requirements, which this year amounted to $217,484, an increase of over $6,000 over the 1924 figures, and equal to over five and a half times the interest requirements on the issue of $600,000 first mortgage bonds outstanding.

During the first half of the year, the company experienced poorer business, but conditions improved, resulting in an increase in total sales of around $29,000. Sales for the year were $1,830,670.

Gross profits on the year's operations increased by some $74,000 and stood at $361,000.

The surplus has increased to $539,537, up from $436,918 last year, while working capital now stands at $676,964, up from $373,932. During 1925 the value of the company's properties was increased by $91,977.

The company had under consideration a plan to considerably enlarge the St. Jerome mill and to transfer the equipment and stock of the Montreal plant to St. Jerome. Difficulties, however, in the matter of satisfactory power service have arisen, and until this question can be settled these plans have had to be postponed for the time being.

GOVERNMENT
MUNICIPAL
HYDRO-ELECTRIC
BONDS

NESBITT, THOMSON & COMPANY
LIMITED

305-7 BANK OF HAMILTON BLDG. - TORONTO
MONTREAL HAMILTON LONDON, ONT.

406

ATTRACTIVE 7% BONDS

	Rate	Due	Yield
Howard Smith Paper Mills	7%	1941	6.80%
Nova Scotia Tramways Co.	7%	1952	7%
Wolthausen Hat Co.	7%	1943	7%
Rolls-Royce Company	7%	1937	7%
Kingdom of Italy	7%	1951	7.48%
Wuerttenberg Hydro-Electric	7%	1956	7.60%

PARTICULARS ON REQUEST

H. B. ROBINSON & CO. LIMITED
Investment Bankers

35 King St. West, Toronto
ELGIN 1224

260 St. James Street, Montreal
MAIN 8542

William Hamilton Firm Elects New Officers

From Our Own Correspondent.

MONTREAL. — William Hamilton Company Limited, of Peterborough, Ont., was recently reorganized, and its financial position strengthened by the flotation of a privately subscribed bond issue, of which the major part was taken up in Montreal, Quebec, Winnipeg and Peterborough. The company is now amply provided with funds for carrying on its business, which was founded in 1856. It will continue the manufacture of mining machinery, pulp and paper mill machinery, hydraulic turbines and saw mill equipment.

The reorganized company will operate under the name of William Hamilton, Limited, and the following have been elected to the board of directors of the organization:

K. T. Dawes, Montreal, director of National Breweries, and Title Guarantee & Trust Company; B. W. Coghlin, Montreal, president of the B. J. Coghlin Co.; L. D. Palmer, Montreal, formerly assistant sales manager of Canadian Vickers; J. S. T. Bethune, Montreal, formerly with Standard Chemical Company; P. P. Westbye, Peterborough, formerly managing director of William Hamilton Company; Theo Kipp, Jr., Winnipeg, president, Kipp-Kelly, and member of Sullivan Kipp & Chace, consulting engineers, Winnipeg; M. V. Sauer, of Toronto, formerly chief engineer of design, Hydro-Electric Power Commission of Ontario, laterly chief hydraulic engineer, Canadian Vickers; B. F. Kauffman, of Springfield, Ohio, secretary-treasurer of James Leffel & Co., Springfield, Ohio.

The head office of the new company will remain as formerly at Peterborough, Ontario, but branch sales offices are being opened in Montreal, Winnipeg and Vancouver.

P. P. Westbye will fill the position of president of the newly organized firm; L. Dunlop Palmer, first vice-president and manager of eastern states, controlled through the Montreal office; M. V. Sauer, second vice-president and general manager, and Theo. Kipp, Jr., manager of western sales, while L. A. Potvin, who has been for many years connected with the old company, will assume the duties of secretary-treasurer of the reorganized firm.

CANADIAN WESTERN LUMBER

The Canadian Western Lumber Co., reports sales of lumber for the month of January amounting to 10,867,392 feet, realizing $244,527. This compares with 8,538,215 feet sold, realizing $196,195 for the same month last year or an increase in price realized of $48,332.

Ore receipts at the Trail Smelter of the Consolidated Mining & Smelting Co. for the period March 15 to March 21, inclusive, totalled 8,476 tons, and for the year to date 111,201 tons.

What Does "Succession Duty" Mean to You?

To assist you in determining just how succession duty rates in Ontario will affect your estate, we have prepared a digest of this Act in an easily understandable form which we would be pleased to mail you upon request.

THE STERLING TRUSTS CORPORATION
10-12 East King St., TORONTO
Branch:—REGINA

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The Lehigh Limited leaving Toronto every evening at 5:40 (via Canadian National Railways) offers convenient service direct to **Pennsylvania Station in the heart of New York City.** Smooth roadbed equipped with the heaviest type rail in general railroad use promises a comfortable trip.

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Lehigh Valley Railroad
The Route of The Black Diamond

BETTER NET SHOWN BY DOMINION POWER DURING PAST YEAR

Heavier Charges Result in Cut in Amount Added to Surplus

While gross earnings of Dominion Power and Transmission showed a slight falling off in 1925, the report shows a material improvement in net. After taking care of all charges, net earnings stand at over a million. Decreases in maintenance were a feature, charges being materially lower, also interest charges. It is pointed out in the statement that the company's earnings are governed to a large extent by the general condition of business, and it was not until the latter part of the year that the receipts showed an increase. This increase was largely from power earnings, which reflects the improvement in industrial conditions, and the report adds: "There is good foundation for the belief that business is steadily improving. We, therefore, look forward with confidence to the continued growth of earnings of the company."

Discussing the situation, Pres. W. E. Phin says: "The Hamilton Street Railway for some years past has been operating under onerous conditions and application was made to the city council by your directors to obtain relief and enable the company to render a more efficient service to its patrons. This application led to negotiations which resulted in a modified agreement, under which the company could operate, being submitted to the electors at the municipal elections held in December, together with an alternative proposition to the ratepayers empowering the city council to purchase the railway for $2,250,000. Both proposals were rejected. It was impossible under the existing agreement to continue operations of the railway and provide a satisfactory service to the public, and there was no other course open to the directors of the street railway but to cease operation, and public notice thereof was given. A subsequent arrangement was made between the city and the company whereby the Street Railway would continue operating and the city forego its charges for mileage and percentage amounting to about eight thousand dollars per month, pending the submission of a new agreement to the electors on or before May 1 of this year. The basis of this agreement is now under consideration.

"The radial railways, owned and operated by the company, in common with others throughout Ontario, show a decrease in net earnings, chiefly due to the increase of private motor cars and the competition of licensed bus lines.

"The unprecedented low levels in Lake Erie made it impossible to maintain navigation in the Welland Canal at a fourteen-foot draught. The canal authorities, however, attempted to do this by cutting off the company's water supply at Allanburg for periods from one to ten hours' duration. It was, therefore, necessary to carry a large percentage of the load on the steam plant, resulting in a big increase in expenditure for coal and plant maintenance. This trouble will cease on completion of the new Welland ship canal, or possibly before, if the lake levels rise.

	1923	1924	1925
Gross earn.	$3,361,335	$3,132,438	$3,120,509
Purchased power	......	153,726	161,151
Operating	1,393,787	1,127,905	1,136,421
Taxes	226,685	242,904	213,449
Maintenance	695,504	787,306	678,048
	2,315,976	2,311,841	2,189,069
Net earnings	1,045,359	820,597	931,440
Bad debts	3,302	7,193	1,571
Interest	460,812	447,273	429,206
	464,114	454,466	430,777
Surplus for year	581,245	366,131	500,663
Surp. bro't fwd	1,098,091	1,081,413	678,973
	1,679,336	1,447,544	1,179,636
Pfd. divids. paid	258,837	277,727	296,730
Common	....	138,032	....
Trans. to dep res.	320,832	362,812	354,058
	579,669	768,571	650,788
Surp car. fwd.	$1,099,667	$ 678,973	$ 528,848

Implement Industry is Now More Nearly Normal

CHICAGO.—Reflecting conditions in the farm implement industry more nearly normal than in any of the preceding five years, International Harvester's annual report for 1925 shows a gain in practically all the company's fields of operation, both at home and abroad, and says that the outlook for 1926 is encouraging.

"Agricultural conditions in the United States," the report says, "have shown some improvement. We must keep in mind, however, the fact that the purchasing power of the American farmer is still considerably below that of people engaged in other occupations. This situation must be further improved if business prosperity is to continue."

Binder twine manufacture for Canadian farmers has begun at the Hamilton, Ont., plant, the equipment therefor having been transferred from the Deering twine mill at Chicago.

Asbestos Corporation Away to Good Start

From Our Own Correspondent.

MONTREAL—The balance sheet of the new Asbestos Corporation as at February 1, 1926, reveals a satisfactory position, with current assets standing at $1,797,440, and current liabilities at $224,964. It is interesting to note that the new no-par value common stock is carried on the balance sheet at $25 per share; this brings the total stock and bonds outstanding in the new company up to approximately the total cost of the properties, which have been acquired by the consolidation.

At the present time a portion of the company's securities are held in escrow for allotment on the transfer of various properties and assets of the old component companies.

The following shows the condensed balance sheet, including in the capitalization the shares and bonds held in escrow:

ASSETS

Cost of properties	$20,497,120
Investments	1,121,236
Current assets	1,797,440
Prepaid Charges	75,192
	$23,490,988

LIABILITIES

7% Pfd. Stock	$7,456,400
No par value com. (200,000 shs.)	5,000,000
1st mortgage bonds	3,000,000
Gen'l. mortgage bonds	4,784,135
Purchase obligations	45,000
Current Liabilities	224,964
Reserve	198,920
Surplus	2,781,569
	$23,490,988

Ogilvie Flour Mills Stock Reacts 25 Points

From Our Own Correspondent.

MONTREAL.—There has been a reaction of some 25 points in the stock of the Ogilvie Flour Mills Company, which this year made a high of 198. The decline in the stock is attributed to the big drop in the market price of "Smelters." Ogilvie Flour Mills is a large holder of this stock; its holdings were acquired at the low level which prevailed some years ago and, as a consequence, the violent variations in the price of the Consolidated Mining and Smelting stock should have no effect on the Ogilvie Flour Mills. Nevertheless, it seems a fair assumption to regard the drop in "Smelters," and the general market decline, as being the factors responsible for the present weakness in the Ogilvie stock.

NEW TOBACCO PRESIDENT

MONTREAL.—At a meeting of the board of Imperial Tobacco Company of Canada, D. C. Patterson was elected president. This follows the resignation some days ago of Sir Mortimer B. Davis, whose withdrawal from the seat of chief executive of this successful company, which he had administered so long, carries no special significance. It is in line with his policy of the last year or so in handing over the reins of active administration of his companies to men who have been developed in the various organizations. Sir Mortimer has taken no active part in the administration of the tobacco company for two or three years.

Mr. Patterson joined the company in 1895 as treasurer, and became vice-president in 1900.

BAKING MERGERS CANNOT INCREASE PRICES FOR BREAD

(Continued from page 1)

any responsibility for increasing bread prices. The report declares:

"As far as the recent merger in Montreal is concerned, inquiry into the records of the three constituent companies has disclosed that practically the only change in their prices since the summer of 1924 occurred in November last, when the retail price was reduced from 12½c. to 12c. for the 1½-lb. loaf; wholesale prices were reduced at the same time from 11½c. to 11c. There is no ground, therefore, for complaint against the merger on the point of enhancement of prices. There has been no enhancement of prices, unreasonable or otherwise.

"Nor has evidence been discovered that would place on the merger responsibility for the temporary advances in the prices of the bakers in the other groups. It is beyond question that the practice of selling below cost has meant serious losses of business to these companies, as to every other Montreal bakery, and that it is in the interests of the business generally to discourage such unfair competition. I am satisfied, however, that the merger has taken no unjustifiable action in attempting to meet this situation. In certain districts, where competitors have sold far below cost, they have sold a second-quality loaf, also below cost, in an effort to hold customers. In every instance of this kind inquired into it has been admitted by the competing bakers chiefly concerned that they, and not the merger, were responsible for the course taken. It seems clear, therefore, that this action has been taken in self-defence, and not with the object of eliminating competition in order to establish a monopoly. As a matter of fact, the bread output of the three companies in the merger is not as great to-day as it was prior to the amalgamation. In any event, the fact that there are 146 licensed bakers in Montreal at the present time, practically all of them independent, owning their own plants, most of them unwilling apparently to co-operate effectively, the majority producing more than 10,000 pounds a month, should be sufficient to assure the Montreal public of all the competition necessary in its own interest.

"As a matter of fact, monopoly in the manufacture of bread is all but inconceivable. The art of bread-making in the home has not yet been lost beyond recovery. Even more potent protection lies in the small-scale bakery, and the facility with which new plants of small capacity can be established—it is amazing how new and fairly large establishments have sprung up almost overnight in Montreal. There is not much likelihood, however, of government intervention being needed; any attempt at monopoly would soon be overcome within the industry itself.

"The governmental inquiries which are being made at the present time in the United States into certain large baking interests, including the corporation of which the three Montreal companies are subsidiaries, are being followed with close interest. Up to the present time, however, the facts disclosed in the United States investigation have not had any direct bearing upon the issues involved in the Montreal inquiry.

"Rumors have been widespread within the past year to the effect that a 'bread trust' was on the point of acquiring the majority of the important bakeries of Montreal. Careful inquiry has shown that there is no ground whatever for these rumors—that, so far as Montreal is concerned, three companies, and three only, are parties to the merger, and that 143 Montreal bakeries are operating independently of the new consolidation. In the opinion of the undersigned, there is nothing menacing to the public welfare in the amalgamation of three of the existing baking companies, even though they are the largest, and even though they are financially controlled by an international corporation."

UNLISTED SECURITIES

	Bid	Asked
Brooks Steam Motors	4½	6
Can. Machinery, com.	4	7
Can. Westinghouse, com.	160	..
Cosgrave Brewery	4	4¾
Dom. Power, pref.	93	96
Farmers Dairy, com.	45	..
Farmers Dairy, pref.	100	105
Gunns, Ltd., pref.	38	40
Imperial Tobacco	6	7
King Edward Hotel, Deb. A.	79	81
King Edward Hotel, Deb. B.	59	61
K. & S. Tire, pref.	16	..
Loew's Toronto, com.	26	30
Loew's London, com.	2½	3
Loew's Ottawa, pref.	17	..
Durant Motors (C)	3	4½
Mount Royal Hotel, com.	4	6
Mount Royal Hotel, pref.	35	38
Willard's, pref.	69	72
Loblaw Groceteries, com.	59	62
Capital Life 25% Paid	23	26
Continental Life 20% Paid	33½	..
Crown Life	120	..
Empire Life	22	..
Excelsior Life 25% Paid	44	..
Great West Life	360	..
Imperial Life	210	..
Monarch Life 10% Paid	19½	..
Ontario Equitable	25	28½
Re-Insurance	12	15
Security Life, 40% Paid	32	37
Sovereign Life, 25% Paid	24	27
Toronto Finance, pref.	4¼	5¼
Trusts & Guarantee	74	77

Stock Market Record

WEEK ENDING MARCH 29

	Div. Rate	Yield Mar. 29	High for wk.	Low for wk.	Close Mar. 29	Close Mar. 23	Sales for wk.	Range, 1926 High	Low
Banks—									
Commerce	12+1	6.07	218½	214	214	217	33	226	214
Dominion	12+1	6.07	214	213⅞	214	214	68	219	213
Can. Nationale	10	6.25	160	160	160	160	5	170	159½
Imperial	12+1	6.13	212	210½	211	210	34	215½	210
Montreal	12+2	5.42	258	257	257½	258	360	263	257
Nova Scotia	16	5.44	294	292	292	294	56	300	281
Royal	12+2	5.58	253¾	252	253¾	252	149	255⅛	248
Standard	12	6.03	199½	199¼	199¼	199¼	36	200	198
Toronto	12	5.55	216	216	216	215½	24	222	213
Paper—									
Abitibi, com. (no par)	4	5.33	76⅛	74½	74¾	77	2201	85½	71¼
Do. pref.	7	6.36	..	...	...	...	...	116	109¾
Belgo-Can. com.	6	6.00	..	...	...	...	...	100	100
Do. pref.	7	7.10	98½	98½	98½	98¾	5	101	95¾
Brompton (no par)	.	....	34¼	32¾	34	34	1590	35¼	26
Laurentide	6	6.83	87¾	87	87½	88	686	93½	84¾
Price Bros. com.	2	3.25	65	62½	65	64½	410	72	57
Do. pref.	6½	6.70	97	97	97	97⅞	35	100	95
Prov. Paper, com.	6+1	6.86	102	102	102	103	10	104	100
Do. pref.	7	6.73	..	...	...	...	...	104½	100
Smith, Howard com.	.	....	45½	42¾	43	46¾	265	54½	38
Do. pref	8	8.16	98	98	98	99	60	101	92¾
Span. River, com.	7	6.79	103	102	102	103½	345	108	99
Do. pref.	7	6.02	116¼	116¼	116¼	116	5	119	114¼
St Maurice Paper	6	....	..	...	...	...	...	106	104½
Wayagamack	.	....	..	...	...	...	...	83	65
Steel and Steel Industries—									
B. E. Steel, com.	.	....	2½	2	2¼	2½	92	3⅛	1½
Do. 1st pref.	.	....	27½	27	27¼	27¼	100	30	25
Do. 2nd pref.	.	....	8	7	7	8	439	10¾	6½
Can. Car & Found. com.	.	....	43	42	42	43	75	49	33
Do. pref.	7	8.16	85¾	83½	83½	84	15	85¾	73
Can. Foundries com.	.	....	..	...	...	...	...	8	8
Do. pref.	.	....	..	...	...	...	...	50	41½
Can. Gen. Elec. com. (par $50)	.	....	..	...	...	...	...	51	51
Do. pref. (par $50)	7	5.98	58½	58¼	58¼	58¼	17	60	57
Can. Locomotive com.	.	....	..	...	...	...	...	42	35
Do. pref.	7	8.04	88	87	87	88½	40	89½	73
Canada Iron, com.	.	....	..	...	...	...	...	10	10
Do. pref.	.	....	..	...	...	...	...	42	40
Dominion Coal	.	....	50	50	50	50	40	50	40½
Dominion Iron pref.	.	....	19	19	19	24¾	25	24¾	19
Dominion Bridge	4	4.21	95	94	94	94	555	99½	80
Dom. Radiator pref.	7	6.76	..	...	...	...	...	103½	103
Dom. Steel Corp., pref.	.	....	25	25	25	25	25	25	24
Ford Motor	10	....	..	...	...	...	...	622	622
Massey Harris com.	.	....	54	54	54	52	31	60	40
Do. pref.	7	7.29	96	96	96	96	20	97	95
McKinnon Ind. com. (no par)	.	....	25	25	25	25½	55	26½	25
Do. pref.	7	7.65	91½	90	91	92	95	92	90
Ont. Steel com.	4	5.44	..	...	...	...	...	76	70
Do. pref.	7	7.00	..	...	...	...	...	101	100
Russell Motor com.	.	....	..	...	...	...	...	42	39
Do. pref.	7	7.91	88½	88½	88½	88½	4	90	82
Sawyer-Massey pref.	.	....	..	...	...	...	...	13	13
Steel of Canada com.	7	6.79	103	101½	103	102	764	106½	95⅛
Do. pref.	7	5.93	118½	117½	118	118½	94	118½	114
Milling and Foodstuffs—									
Atlantic Sugar com.	.	....	24½	22¾	23	24⅞	1215	33⅛	22¾
Do. pref.	.	....	..	...	...	...	...	88	79
B. C. Fishing	5	7.57	68½	63	68⅝	68½	1109	75¼	57¼
Canada Bread com (no par)	.	....	57	56	56	57	305	61	56
Do. pref. (A)	7	6.54	107	107	107	108	2	110	106
Do. pref. (B)	7	7.10	98½	97⅞	98	98½	47	98½	96¼
Can. Canners com.	.	....	13⅜	12¾	13	13	403	15	12¾
Do. pref.	1	....	61	60	60	60½	1189	67¾	60
Canadian Salt	8	5.92	..	...	...	...	...	145	131
Christie Brown, com. (no par)	.	....	..	...	...	...	...	63½	62
Can. Bakeries com. (no par)	.	....	28	28	28	29	28	36	28
Do. pref.	7	7.40	95	94	94	95	70	97½	93
City Dairy com. (par $25)	12	4.34	70	67	67	71½	205	81	67
Do. pref.	7	6.36	110	110	110	109	12	112	107
Cuban Can. Sugar com.	.	....	4	4	4	4⅛	15	5	3½
Do. pref.	.	....	..	...	...	...	...	28	23½
Dom. Stores com. (no par)	60c	....	..	...	...	...	...	68	65
Do. pref.	8	6.97	114¾	114	114¾	115	46	116	106
Wm. Davies (A) (no par)	.	....	33	32½	32½	33	285	37¼	32¼
Inter. Milling, pref.	7	6.86	103	102	103	101	42	105¼	101
Lake of Woods, com.	12	7.54	159½	159	159½	163	68	175	159
Do. pref.	7	6.00	116½	116½	116½	117	10	117	116
Maple Leaf Mill. com.	.	....	70	70	70	70	20	88	65
Do. pref.	7	7.14	98	98	98	99½	25	102	96
Ogilvie Flour com.	5	2.77	180	180	180	189	65	200	175
Do. pref.	7	5.69	123	123	123	125	4	125	123
Pure Gold Mfg. (no par)	50c	....	20	20	20	20	30	23½	20
Shredded Wheat	10	5.05	198	190	190½	198½	20	218	169½
St. Law. Flour, com.	.	....	35	35	35	36	35	45	35
Do. pref.	7	....	..	...	...	...	...	84	82
West Can. Flour	8	7.11	112½	112½	112½	114	13	115½	112½
Western Grocers, com.	.	....	6	5	5	5	107	13¼	5
Do. pref.	.	....	55	51½	53	53	127	64	49½
Utilities—									
Bell Telephone	8	5.81	138	136	137¾	138	205	141	136
Consumers Gas	10	5.61	180	178	178	180	61	183⅞	174½
Inter. Util. (A) (no par)	87½c	....	..	...	...	...	...	38½	35
Do. (B) (no par)	.	....	..	...	...	...	...	9¼	7½
East Koot. Power	.	....	25	25	25	25	1	32	25
Cedar Rapids	3	7.50	40	40	40	..	1	40	40
Jamaica Pub. Ser. pref.	7	7.19	..	...	...	...	...	98½	96¼
Laurentide Power	5	4.71	106	106	106	106	25	110	105
Mackay, com.	7	5.30	133	132	133	132	61	138½	132
Do. pref.	4	5.75	69½	69½	69½	69	80	73½	69
Mexican Light com.	.	....	..	...	...	...	...	30	29½
Do. pref.	.	....	..	...	...	...	...	64	64
Mont. L. H. & Pr. Cons.	8	3.66	219½	215¾	218½	219	5226	227	209
Montreal Telegraph (par $40)	8	6.40	49½	49½	49½	49½	4	51½	49
Ottawa L. H. & Pr. com.	6	6.12	98	98	98	98	10	100	97½
Do. pref.	6½	6.25	104	104	104	103	2	105¼	102
Ottawa & Hull Pr. (no par)	.	....	..	...	...	...	...	26	25
Quebec Power com.	5	4.08	123¾	122	122	124	135	125	118
Do. pref.	7	6.25	112	111½	111½	112	33	116	109½
Shawinigan	8	4.36	186	183	183	186	632	191	167½
South. Can. Pr. com.	2.00	2.27	89	88	88	88	35	90½	83
Do. pref.	6	6.00	101	100	100	101½	51	101½	100
Transportation—									
Can. Pac. Rlys.	10	6.43	158	155	157	156	208	163	147
Can. Steamships com.	.	....	13¾	13½	13½	12½	162	18	11
Do. pref.	.	....	60	58¾	58¾	60¼	1765	68¾	56
Do. Voting	.	....	12½	12	12½	16	4410	16	11
Tractions—									
Barcelona (par $50)	.	....	28	27	27⅞	27½	275	29	26½
Brazilian, com.	5	5.61	90	87⅛	88	90⅝	21478	98½	80
Do. pref.	6	5.94	..	...	...	...	...	102½	97½
Detroit Un. Rly.	.	....	2½	2½	2½	3	5	3½	2½
Duluth-Superior	.	....	29	28	28	29	35	31½	25
Illinois Trac., pref.	6	....	..	...	...	...	...	96¼	96¼
Montreal Trams.	10	6.25	160	160	160	159	25	178	159
Ottawa Traction	4+1	7.81	..	...	...	...	...	65¾	63
Porto Rico Rlys. com.	.	...	46	45	45	46	150	47	40
Do. pref.	7	7.86	89	89	89	89	20	91	87
Quebec Rly.	.	....	..	...	...	...	...	26⅝	26⅝
Twin City com.	5	7.04	71¾	70	70⅞	71¼	401	79½	70
Do. pref.	7	6.82	..	...	...	...	...	103	102½
Winnipeg Elec. com.	1	....	50½	50	50	51¼	1175	54⅝	46½
Do. pref.	7	7.10	98½	98½	98½	98	5	100½	95
Textiles—									
Can. Conn. Cotton pref.	4	....	..	...	...	...	...	49	46¾
Can. Converters	7	7.60	92	91½	92	92	21	94	90
Can. Cotton com.	8	6.55	122	122	122	122	5	124	121
Do. pref.	6	6.21	..	...	...	...	...	99½	95
Can. Woollens com.	.	....	6	6	6	5	25	8	5
Do. pref.	.	....	50	49¾	50	50	56	50	49½
Dom. Textile com.	5	5.49	92	91	91	92	235	99⅛	91
Do. pref.	7	5.73	..	...	...	...	...	122	119
Monarch Knitting pref.	.	....	..	...	...	...	...	50	45
Mont. Cottons, com.	6	5.82	..	...	...	...	...	105	102
Do. pref.	7	6.11	114½	114½	114½	114	5	114½	112
Penmans com.	8	4.49	178	177⅞	178	178	205	190	175
Do. pref.	6	5.79	..	...	...	...	...	104¼	103
Wabasso Cotton	4	6.15	..	...	...	...	...	65	62
General Industrials—									
Amer. Sales. com. (par $20)	4	6.66	60	60	60	63	105	70	60
Do. pref.	7	7.25	96½	96	96½	97	4	97½	92
Asbestos Corp. com.	6	6.66	90	89	90	91	216	94½	89
Do. pref.	6	5.28	114	113½	114	114	150	116	109
Bldg. Products pref.	7	8.21	..	...	...	...	...	85¼	85¼
Brant. Cord. pfd. (par $25)	8	7.40	27¼	27	27¼	27	307	27½	26
Burt F. N. com. (par $25)	12	5.55	57	54	54½	57	570	67	54
Canada Cement com.	6	5.49	109¼	106½	107¾	108	1129	111½	101¾
Do. pref.	7	6.03	116½	115½	116½	117¼	69	120	115½
Cons. Rubber pref.	7	....	..	...	...	...	...	86½	86½
Ca. Indust. Alc. (no par)	1.28	7.11	18	17	17½	17¾	2336	20	16¼
Crow's Nest Coal	6	....	..	...	...	...	...	85	51
Dom. Glass com.	7	6.86	102	100	100	100½	560	105	85
Do. pref.	7	6.58	..	...	...	...	...	111	106
Eastern Theat. com. (par $25)		....	24	24	24	24	5	25¼	18¾
Do. pref.	7	7.95	88	88	88	88	5	90	83
Famous Players com.	.	....	15	15	15	16	15	18½	15
Do. pref.	8	8.69	92	91	92	91	92	94¼	90½
Gilman com.	6	5.71	..	...	...	...	...	106	104½
Do. pref.	7	6.08	115⅛	115⅛	115⅛	116½	1	116½	113½
Goodyear Tire pref.	7	7.44	94½	94	94	96	55	97	93½
Holt Renfrew pref.	7	....	..	...	...	...	...	90	85½
Kelvinator com. (no par)	.	....	15⅞	15	15¾	16	130	17	15
Do. pref.	.	....	93½	92	93	93	44	93½	92
King Ed. Hotel	.	....	..	...	...	...	...	41	25
Lyall Construc.	.	....	41¾	40	41¾	40	250	46	20
Nat. Brew com. (par $25)	4	6.78	60	58	58½	60	3310	69	56
Do. pref.	7	6.54	107	107	107	106	10	110	106
National Brick com.	.	....	..	...	...	...	...	12½	12½
Do. pref.	7	....	..	...	...	...	...	72	67
Pacific Burt com.	6	6.00	..	...	...	...	...	110	90⅝
Do. pref.	7	6.73	105	104	104	108	60	110	102
Port Hope Sanitary com.	¾	....	87	87	87	85½	105	88	74½
Do. pref.	7	7.00	..	...	...	...	...	100	99
Rogers Wm. com.	.	....	..	...	...	...	...	67	45
Do. pref.	7	7.36	95	95	95	94½	5	95⅝	90
Sherwin-Williams com.	6	4.58	132	131	131	130¼	132	135	127
Do. pref.	7	6.19	113	112	113	113	130	114	110½
Sterling Coal	4	....	..	...	...	...	...	48	37
Tooke Bros. com.	.	....	..	...	...	...	...	8	8
Do. pref.	.	....	..	...	...	...	...	60	57
Tuckett Tobacco com.	4	6.25	64	64	64	64	40	65	61¾
Do. pref.	7	6.79	..	...	...	...	...	105	102
Woods Mfg. com.	.	....	41	41	41	41	230	44	38
Do. pref.	7	8.64	82	81⅛	81⅛	79½	45	82	77¾
Trust and Loan—									
Central Canada Loan	12	....	..	...	...	...	...	210	210
Canada Landed (par $50)	10+1	5.64	97½	97½	97½	97½	86	100	95
Can. Permanent	12	5.76	208	206	208	206	6	208	202½
Colonial Invest. (par $10)	6	....	..	...	...	...	...	6½	4
Hamilton Prov.	10	6.36	..	...	...	...	...	157	157
Huron & Erie	7+½	5.76	131	131	131	130	7	131	127½
Landed Banking	9	6.00	..	...	...	...	...	150	150
Montreal Loan (par $50)	12+1	6.50	..	...	...	...	...	50	50
National Trust	12	4.89	245	245	245	245	4	245	235
Ont. Loan (par $50)	11	5.23	..	...	...	...	...	105	103½
Real Estate Loan	7	8.23	..	...	...	...	...	85	85
Toronto Gen. Trusts	12	5.33	..	...	...	...	...	225	223
Toronto Mort. (par $50)	10+1	5.78	..	...	...	...	...	95	93½
Union Trust	7	6.93	..	...	...	...	...	101	101

THE CURB MARKET

	Div. Rate	Yield Mar. 29	High for wk.	Low for wk.	Close Mar. 29	Close Mar. 23	Sales for wk.	Range, 1926 High	Low
Asbestos com. (new)	.	....	19	18¼	18½	18¾	397	24½	18¼
Do. pref. (new)	.	....	66	65	65	65	29	70	62
Brit. Amer. Oil (par $25)	10	5.18	50¾	49½	50	51	552	53½	47
Can. Oil com.	1¼	....	72	72	72	72	25	74	65
Do. pref.	8	7.84	102	102	102	101	15	102	100
Continental Oil	25c	1.08	..	...	...	...	...	26	21½
Dryden Power (no par)	.	....	6½	6	6½	6	105	7¾	6
East. Engineering	.	....	..	...	...	...	...	2½	1
Good & Worts	6	3.01	199	199	199	197	5	237	193
Imperial Oil (no par)	1.00	2.91	34	33	33¼	34	1302	38½	33
Inter. Petroleum (no par)	75c	2.42	31⅝	30½	30⅝	32	745	35½	29¼
Manitoba Power (no par)	.	....	37	36	36	36	50	42	24
Newsprint Corp.	.	....	..	...	...	...	...	27	18
North Star Oil com. (par $5)		....	..	...	...	...	...	1.05	.95
Do. pref. (par $5)	7	....	..	...	...	...	...	4.75	4.50
Simpsons, pref.	6	....	..	...	...	...	...	102	101
St. Maur. Valley	.	....	48	46½	46½	49	368	53½	46½
Toronto R. S.	.	....	..	...	...	...	...	1.40	1.10
Volcanic Oil (par $25)	62c	....	..	...	...	...	...	29	27⅝
Beacon Oil	.	....	16	15	15	16	410	19½	15
Eng. Elec. com (no par)	.	....	24⅝	24⅝	24⅝	24½	100	24½	15
Do. pref.	.	....	..	...	...	...	...	72	59½
Illinois Power pref.	.	....	..	...	...	...	...	98½	96
North Mex. Pr. com.	.	....	..	...	...	...	...	56	47
Power Corp. (no par)	.	....	25	25	25	25	130	28¼	24¼
Pressed Metals com.	.	....	..	...	...	...	...	40	30
St. Law. Pr. (no par)	.	....	41½	41½	41½	42	45	46½	36
St. Maur. Power	.	....	77	77	77	80	1	80½	75
United Secs. pref.	6	5.78	105	103¾	103¾	104½	30	105	103

The Royal Bank of Canada

Head Office, Montreal

Condensed Statement to the Dominion Government

February 27, 1926

LIABILITIES

Capital Paid up	$ 24,400,000.00
Reserve Fund	24,400,000.00
Undivided Profits	1,249,435.33
Dividend No. 154, payable March 1, 1926	732,000.00
Notes in Circulation	35,903,739.74
Deposits	585,743,889.53
Due to other Banks	19,924,849.72
Bills Payable (Acceptances by London Branch)	7,952,773.83
Letters of Credit outstanding	28,576,945.76
	$727,963,624.69

ASSETS

Cash on Hand and in Banks	$103,372,602.74
Deposit in the Central Gold Reserves	11,000,000.00
Government and Municipal Securities	115,435,069.97
Railway and other Bonds, Debentures and Stocks	20,410,915.79
Call Loans in Canada	26,911,636.12
Call Loans elsewhere than in Canada	57,137,738.33
	$334,167,362.96
Loans and Discounts	344,609,576.81
Liabilities of Customers under Letters of Credit as per contra	28,576,945.76
Bank Premises	15,674,100.51
Real Estate other than Bank Premises	2,350,158.25
Mortgages on Real Estate sold by the Bank	1,174,480.41
Deposit with Dominion Government for Security of Note Circulation	1,440,000.00
	$727,963,624.69

[illegible] BRANCHES IN CANADA, NEWFOUNDLAND, WEST INDIES, CENTRAL and SOUTH AMERICA, also LONDON, NEW YORK and BARCELONA.

Auxiliary: THE ROYAL BANK OF CANADA (France)

National Cement Co. Enters Full Operation

From Our Own Correspondent.

MONTREAL.—The National Cement company has its plant in full operation and output is running at about 2,000 barrels daily. Within four or five weeks' time the maximum capacity of 3,000 barrels daily is expected to be reached. Sales are satisfactory, with shipments taking care of the entire production.

For a long time there have been hints that cement prices would be cut, but these price reductions have not materialized. It has long been the policy of the Canada Cement Company to make periodical reductions in prices. No doubt this policy will be continued, but there is at present no indication that any price war will take place.

Dominion Power and Transmission Company, Limited And Subsidiaries

Consolidated Annual Statement

For year ending 31st December, 1925

ASSETS

	31st Dec., 1925	31st Dec., 1924
Properties	$24,341,947.62	$24,278,713.83
Cash	16,666.88	18,151.72
Accounts Receivable	195,616.44	166,640.33
Stores	243,867.34	232,626.63
Charges Prepaid	9,256.22	....
	$24,807,354.50	$24,696,132.51

LIABILITIES
To the Public

	31st Dec., 1925	31st Dec., 1924
Funded Debt	$ 8,158,000.00	$ 8,411,000.00
Notes Payable to Bank	199,638.85	125,489.75
Accounts Payable	288,220.51	204,041.84
Customers' Deposits	4,075.66	3,860.39
Bond Interest Matured	4,945.00	4,997.50
Bond Interest Accrued	107,703.75	109,563.45
	$ 8,762,583.77	$ 8,858,952.93

To Shareholders

Capital Stock—		
Preferred (42,390 shares $100 each)	$ 4,239,000.00	$ 4,189,000.00
Ordinary (77,000 shares $100 each)	7,700,000.00	7,700,000.00
Dividends Payable 15th January, 1926	76,427.50	75,716.00
Reserve for Depreciation	3,394,690.93	3,083,687.94
Reserves, Miscellaneous	105,804.03	109,802.82
Profit and Loss	528,848.27	678,972.82
	$24,807,354.50	$24,696,132.51

CONSOLIDATED OPERATING STATEMENTS
After Eliminating Inter-Company Charges
For Years Ending 31st December

	1922	1923	1924	1925
Gross Earnings	$3,163,724	$3,361,335	$3,132,438	$3,120,509
Purchased Power	......	......	153,726	161,151
Operating	1,317,387	1,393,787	1,127,905	1,136,421
Taxes	202,312	226,685	242,904	213,449
Maintenance	631,686	695,504	787,306	678,048
	2,151,385	2,315,976	2,311,841	2,189,069
Net Earnings	1,012,339	1,045,359	820,597	931,440
Bad Debts	2,966	3,302	7,193	1,571
Interest	467,484	460,812	447,273	429,206
	470,450	464,114	454,466	430,777
Surplus for year	541,889	581,245	366,131	500,663
Surplus brought forward	1,071,923	1,098,091	1,081,413	678,973
	1,613,812	1,679,336	1,447,544	1,179,636
Preferred Dividends Paid	258,837	258,837	277,727	296,730
Common Dividends Paid	......	......	138,032	......
Trans. to Depreciation Res.	256,884	339,086	352,812	354,058
	515,721	597,923	768,571	650,788
Surplus carried forward	1,098,091	1,081,413	678,973	528,848

Signed on behalf of the Board,
W. E. PHIN,
CYRUS BIRGE,
Directors.

Hamilton, Ont., 10th March, 1926.

I have audited the books and accounts of the Dominion Power and Transmission Company, Limited, and also those of its various Subsidiary Companies, for the year ended 31st December, 1925, and have been furnished with vouchers for all expenditures. I have obtained all the information and explanations I have required, and in my opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of my information and the explanations given me, and as shown by the books of the Company.

C. S. SCOTT, F.C.A.,
Auditor.

PORT ALFRED PULP & PAPER CORPORATION

HEAD OFFICE:
INSURANCE EXCHANGE BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

Automobile and Piano Paper
MANUFACTURERS FINANCE CORPORATION LIMITED
TORONTO, Federal Building
AUTHORIZED CAPITAL - $6,500,000

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE - QUEBEC

MAPLE LEAF
INDUSTRIAL
ALCOHOL
HIGHEST QUALITY-BEST SERVICE
Ethyl Alcohol—Cologne Spirits, Denatured Alcohol (all formulae)

We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the trade.

Canadian Industrial Alcohol Co., Ltd.
MONTREAL CORBYVILLE
TORONTO WINNIPEG VANCOUVER

"No Man Can Carry Three Watermelons Under One Arm"

Says a Spanish proverb

Neither can one man undertake to carry the three big burdens of any ~~business~~

—Finance
—Production
—Distribution

without competent assistance. Have you got that assistance? You cannot always get it in your own circle. Better go to a disinterested third party, one trained to put his finger on the weak spots in any business and absolutely without bias in putting them before you.

I am that third party.

I have had thirty years' training as a salesman, as a manufacturer, as an executive. I have bought raw materials, I have superintended their manufacture, I have sold them myself, I have hired and trained salesmen to sell them, I have enlisted the aid of capital, I have travelled in many countries throughout the world in pursuit of foreign markets for my goods.

My work is largely in co-operation with sales managers and once they realize its value they welcome my analyses.

Is the cost of your distribution increasing or decreasing?

Has your advertising programme brought expected result or adequate returns from the appropriation?

Is the sales organization in a contented frame of mind, producing from each territory the proper quota of business in proportion to the population?

Could the quality of material in the sales organization be improved; and could the present material be moulded into a stronger and more aggressive sales force?

Is every possible method functioning that would cement closer the relationship between the dealer, the consumer and your Company?

Are the territories being covered properly?

Is the training of the sales force of the character that fits them to meet any line of resistance?

I will deliver to the chief executives a true picture of the business, from an independent and impartial viewpoint.

F. E. MUTTON
Business Economist
705 Federal Bldg., Toronto, Adelaide 8031

Pulp and Paper

LIST INTERNATIONAL PAPER SHARES ON MONTREAL MARKET

Company's Output Increasing From 1,900 Tons to 2,300 Tons Daily

From Our Own Correspondent.

MONTREAL.—The preferred and common shares of the International Paper Company have been admitted to trading on the Montreal Stock Exchange.

The company and its wholly-owned subsidiaries own 25 pulp and paper mills located in the United States and Canada; the combined capacity of these mills is over 1,900 tons of various classes of paper, and this is now being increased to approximately 2,300 tons. Of these, five are groundwood mills, seven are combination groundwood and paper mills, seven are combination groundwood, sulphite and paper mills, one is a paper mill, one is a kraft mill, one is a combination paper and soda pulp mill, one is a combination kraft paper and kraft pulp mill, and two are bleached sulphite mills.

During the past year, substantial additions have been made to the company's properties, and some $5,700,000 was spent on enlarging the Three Rivers mill, and about $1,000,000 on the enlargement of the Kipawa pulp mill, and other developments. This expansion programme is to be carried on; the year 1926 will witness the continued growth of the company.

The company's developed water power sites have a present installed capacity of 180,000 h. p., capable of being increased through further development and through the utilization of undeveloped sites to over 600,000 h.p. For the most part the company's hydro electric output is utilized in its own mills.

The company and its wholly-owned subsidiaries own 1,623,000 acres of timberland; it owns also stumpage rights covering 55,000 acres, and Canadian crown timber limit leases of an additional 9,109,000 acres. The total pulpwood on these lands is estimated to be in excess of 34,000,000 cords.

MONTREAL—The International Paper Company has purchased the Ste. Anne Lumber Company which owns large timber limits located in the vicinity of Ste. Anne des Monts. It is understood that the purchase price was in the vinicity of $500,000. It is rumored also, that the International Paper has an option on some further timber limits in the eastern section of Quebec.

INTERNATIONAL HAS WIDE ACTIVITIES

An Interesting Review of the Company's Interests in Canada and States

NEW YORK.—An interesting outline of the various operations and activities of the International Paper Company in Canada and the United States, is to appear in the April issue of the International Paper Monthly:

Few of us who work for the International Paper Company realize how many different products are made by our company, and what an important part it is playing to-day in life in the United States and Canada.

Our chief product is, of course, newsprint paper, and of this we make more than any other company in the world. Through our underlying companies we have been making newsprint continuously for about forty years. We were thus pioneers in the development of the making of paper from wood pulp, the process which makes possible the commercial production of newsprint and similar grades of paper on a large scale. Over one-ninth of all the newsprint paper used on the North American continent last year came from the mills of the International Paper Company.

Ws also make special grades of paper for use in magazines and the magazine sections of newspapers and rotogravure paper for pictorial magazines and pictorial supplements in newspapers.

One of our mills makes exceptionally high-grade magazine and magazine cover papers, the excellence of which is recognized by printers, and which, as a result, are in constant demand. Others of our mills are making high-grade printing and waxing papers and papers for converting.

We also make paper to be used in commercial stationery.

In the south we have a mill turning out a strong kraft wrapping paper made from the resinous southern pine.

At one of our mills in the north we are making a product suitable for surgical dressings, and for similar purposes where softness and absorbence are required. This is a use for wood fibre which has developed since the war

In Canada we are making bleached sulphite pulp, which is sold to a large extent to rayon or artificial silk manufacturers. Because of its high quality, our pulp is in increasing demand from makers of artificial silk in the United States, Europe, and elsewhere in the world.

Current from our hydro-electric plants is sold for use in lighting streets and residences, furnishing power, operating electric railways, and so on. Our company is already an important factor in the power industry, and in view of the imminent completion of some superpower plan for the co-ordination of the power resources of the eastern states, the position of the company as a power producer is thus of considerable importance. All of our power properties in the United States are within easy reach, in these days of long-distance transmission, of industrial centres of northeastern United States.

For many years we have sold lumber and shingles, and we have several sawmills in the United States and Canada manufacturing these products.

Our company is ceasing to be known solely as a manufacturer of paper. It is entering new fields continually opening, which are accessible to it through development of its diversified assets.

In the future, our company will prófit greatly by its heavy investments in power and raw materials. Paper and power are commodities for which there will be an increasing demand as our civilization becomes more closely co-ordinated.

SECURES WATER POWERS

E. A. Wallberg, on behalf of the Leaside Engineering Company, has secured a large concession from the Quebec government, including one thousand square miles of timber limits and two water powers in the Lake St. John district. This concession is the basis for a large undertaking, including twenty-five miles of railway extension, a complete pulp and paper mill of a capacity of 200 tons per day, a town to house 3,000 people, and two hydro-electric power developments.

Province of Quebec Sells Timber Limits

From Our Own Correspondent.

MONTREAL. — The sale of 4,200 square miles of timber limits situated at various points in the province of Quebec netted the province $150,000 yearly, in addition to the stumpage due of $2.70 per thousand feet.

The International Paper Company secured two areas, designated as groups A and D, comprising 200 square miles in the watershed of the eastern branch of the Gatineau River, and 1,800 square miles in the watersheds of the Gatineau and Upper Ottawa Rivers respectively, while Price Brothers and Company obtained one lot, of 1,000 square miles, in the watersheds of the Peribonka and Whipsaw River.

Adelard Tremblay bought 200 square miles in the watershed of the Chamouchouane River, while the Leaside Engineering Company, of Toronto, obtained the remaining area, 1,000 square miles in the watershed of the Mistassini River,, where, it is believed, the company intends establishing and operating a pulp mill.

The adjudication price was $2,200,000 and, in some cases, bidding was very keen, while in others there was just the one offer made. The section obtained by Tremblay brought the highest price, the hammer falling after he had offered $5.50 over the upset price, after strong bidding from the St. Maurice Valley Corporation, while the Leaside Engineering Company came next in line with 20 cents over the upset price, the remaining three lots falling at ten cents over the upset price in each case.

In addition to the amount over the upset price, each item had an adjudication price per square mile, one-third of which was due immediately after the auction, another third within twelve months, and the remainder in two years' time.

The successful bidders were: Group A to the International Paper Company at 10 cents over the upset price; group B to Adelard Tremblay, at $5.50 over the upset price; group C to Price Bros., at ten cents over the upset price; group D to the International Paper Co., at ten cents over the upset price; group E to the Leaside Engineering Company at 20 cents over the upset price.

Sulphite Plant Will be Added to Thunder Bay

MONTREAL.—A sulphite plant with a capacity of 60 tons daily is to be added by the Thunder Bay Company to its mill at Port Arthur. Work will begin on the new plant as soon as the frost is out of the ground; the work will give employment to some 300 or 400 men.

Some weeks ago the company obtained further timber limits from the Ontario government, and, in consequence, announced its intention of erecting a 400-ton newsprint mill. The first hundred-ton unit of this mill will be in operation before the close of the present year.

N.S. TRAMWAYS CO. EARNINGS INCREASED

Working Capital Bettered and Net Earnings Over Three Times 1924

From Our Own Correspondent.

MONTREAL.—The annual report of the Nova Scotia Tramways and Power Company for the year ended December 31, 1925, shows an increase of 3½ per cent. in gross earnings and a very decided increase in net earnings after fixed charges.

The balance sheet shows an increase of $40,482 in property value, an increase of $30,437 in cash, and an increase of $90,233 in the company's investment holdings. The amount of general mortgage bonds outstanding was reduced to $17,000 during the year, and the reserve for depreciation was increased by $144,688. Changes in the balance sheet produced a decided betterment in the working capital position.

There follows a comparison of the profit and loss figures and the working capital figures over the past two years:

	1925	1924
Gross Income	$1,344,098	$1,299,371
Oper. Exp.	852,728	916,935
	$ 491,370	$ 382,436
Taxes	106,642	105,302
	$ 384,728	$ 277,134
Bond Interest	215,557	216,713
	$ 169,171	$ 60,421
Other Interest	1,368	1,228
	$ 167,803	$ 59,193
Amort. & Disct.	16,527	16,541
xBal.	$ 151,276	$ 42,652

xTo depreciation reserve.

Working Capital

	1925	1924
Current Assets	$540,979	$426,572
Curr. Liabilities	184,722	178,488
Net Working Capital	$356,257	$248,084

At the conclusion of his report to the shareholders, L. Killam, the president, states in part as follows:

"The payment of the heavy tax on gross receipts to the city of Halifax, together with the cost of the removal of snow and the expense arising from the street-paving burden as it has been imposed on the company, makes it very difficult to earn any return on the capital invested by the shareholders.

"The general business of the city improved slightly during 1925, and a spirit of optimism prevails as to the outlook for the future. Any marked improvement in conditions generally throughout Halifax should be reflected in increased earnings in all departments of the company."

Montreal Tramways to Extend Bus Service

MONTREAL.—At the annual meeting of the shareholders of the Montreal Tramways Company, Julian C. Smith, the president, in commenting on the bus services, declared that it was the company's intention to further extend this branch of the service. The company has ten new buses ordered and these will be put into operation on May 1.

Mr. Smith referred to the heavy expenses in running the buses, as in addition to the large operating expense during the winter months, very heavy depreciation must be allowed. The company is figuring on five years as the life of a bus, and the annual depreciation which this entails means a great deal added to operating charges.

DOMINION TEXTILE CO., LIMITED
PRUE
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

The Wabasso Cotton Company, Limited

THREE RIVERS, P. Q.

Manufacturers of Fine White Cotton, also Spinner's Fine Counts of Yarns

Penmans
LIMITED
Manufacturers of High-Grade
Knit Underwear, Hosiery, Sweaters
MILLS AT PARIS, Ont. BRANTFORD, Ont. LONDON, Ont. WATERFORD, Ont. ALMONTE, Ont. COATICOOK, Que. and ST. HYACINTHE, Que.
General Office: Paris, Ont.
Selling Agents to Wholesale Trade:
JOHN GORDON & SON,
Toronto and Montreal

SELLING AGENTS TO RETAIL TRADE
Edward Burns Co., Ltd., Toronto, Ont.
B. S. MacFarlane, Montreal, Que.
John J. Wilson, St. John, N.B.
Bryce & Co., Ltd., Winnipeg & Vancouver.
EXPORT REPRESENTATIVES
J. J. Jardine, St. John's, Nfld.

H. W. Airey, Ltd., Auckland, N.Z.
L. C. Carrick, Cape Town, South Africa.
Hugh Scott-Young, Melbourne, Australia.
Liddell & Mitchell, Glasgow, Scotland.
Taylor & Sheimerdine, Manchester, England.
W. J. Cutcliffe, London, Eng.
W. E. Goodman, Manchester, England.

FREEDOM FOR
POWER
Manufacturers from High Taxes, High Labor Rates, High Labor Turnover, Power Problems, Freedom to Expand on Ample Sites, Permits Concentrated Effort on Production.
We have located plant to the value of over $25,000,000 in the last five years under the above ideal conditions.
WE CAN DO IT FOR YOU
SOUTHERN CANADA POWER COMPANY LIMITED
330 Coristine Building — Montreal

Atlantic Sugar Refineries
LIMITED
Lantic Sugar
General Offices
211 McGILL STREET
MONTREAL
Refineries - St. John, N.B.

DOMINION BRIDGE CO.
LIMITED
Montreal, P.Q.
ENGINEERS, MANUFACTURERS *and* ERECTORS *of* STEEL STRUCTURES
HEAD OFFICE AND WORKS: Lachine Locks, P.Q. P.O. Address, Montreal, P.Q.
BRANCH OFFICE AND WORKS: Toronto, Ottawa and Winnipeg.
Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

INCREASED DEMAND FOR FARMS

WINNIPEG.—The larger dealers here report an increased demand for farm lands, and half section transactions with one-third cash as first payment are more numerous this spring than for many years. Some of the buyers are farmers desirous of extending their holdings, but many of them are Old Country people and newcomers from across the line.

BIG CROWDS AT BANFF PARK

BANFF.—Attendance at the Banff National Park in 1925 broke all records, according to Superintendent Stronach. The park revenue amounted to $140,000 during the season, and more than 67,000 people registered at the hotels. Nearly 80,000 people passed through the east entrance of the park alone, which was 47 per cent. greater than the previous year.

SMELTERS SHOWS NET EARNINGS 3 TIMES 1924 TOTAL

Net is Equal to 6.45 Per Cent. on Stock at Market of $190

Consolidated Mining and Smelting which in 1920 showed an operating deficit, reports a net profit of $12.26 per share or 50 per cent. on the 507,012 shares outstanding for 1925. Taking the market at $190 for the $25 shares this works out at a yield of 6.45 per cent. In 1924 earnings per share were 30.69 per cent.; 1923, 15.96 per cent.; 1922, 9.26 per cent. and 1921, 2.57 per cent.

Net operating profit for 1925 was $13,255,406 before making tax provision but after taking care of heavy depreciation, development, interest and bond redemption charges. The comparative 1924 total was $4,069,023 or an increase of $9,200,000. The company took advantage of the large surplus remaining after all regular charges had been met and set aside $3,560,793 for property additions; a million for contingency reserve and $200,000 for employees' pension fund.

The report shows a decided betterment in the working capital position. The president's statement concerning the possibility of stabilizing Smelters market situation by the issuance of a quarterly production report and semi-annual estimate of profits, are features.

Changes in the balance sheet include an increased investment in plant and properties of almost $2,000,000, the absence of bonds on the liability side of the exhibit and the disappearance of the special loan, which amounted to $1,000,000 last year. It will be recalled that the bonds outstanding were converted into stock.

Reserves Much Increased

Contingent reserve account makes its appearance for the first time this year and stands at $1,000,000; tax reserve is up almost $2,000,000; pension fund and fire insurance reserve have been increased by some $500,000, whilst a reserve of over $3,500,000 for additions makes its appearance for the first time on the balance sheet; surplus also has been increased by almost $3,000,000.

The company's total assets during the year increased almost $9,000,000 and now stand at $35,213,061, as compared with $26,248,194 last year.

The most notable change in the assets was the increase in gilt-edged bonds, which last year stood at $77,000 and now stand at $5,021,511. Cash on hand has also increased from $228,286 to $1,152,382.

Working Capital

	1925	1924	1923
Curr. assets	$14,476,130	$7,467,169	$4,414,473
Curr. liabs.	6,451,425	4,943,659	3,752,172
Work. cap.	$8,024,705	$2,523,510	$ 662,300

Smelters Five Years' Profit and Loss Statement

	1925	1924	1923	1922	1921
Sales	$28,562,065	$14,377,308	$11,229,162	$9,576,201	$7,516,865
Inventories	5,009,939	4,700,468	2,021,667	2,033,763	2,779,434
Rents, etc.	94,196	25,318	27,434	26,243	8,574
Total earnings	33,666,201	19,103,094	13,278,264	11,754,688	10,561,834
Ore previous year	4,700,468	2,021,667	2,023,763	2,779,434	3,336,463
Customs ore	2,208,182	1,699,827	1,631,766	1,194,389	385,998
Freight	631,330	527,081	580,342	645,808	634,873
General expenses	9,535,248	8,240,768	4,905,554	4,381,424	5,270,372
Balance	16,590,971	6,613,752	4,136,838	2,753,632	934,128
Development	585,309	440,424	381,824	306,773	232,698
Depreciation	1,123,757	1,051,414	805,224	405,145	105,356
Depletion	521,423	518,055	323,835	320,750	....
Bond interest	517,521	271,991	276,203	239,198	231,596
Balance	13,839,950	4,331,867	2,349,750	1,481,766	364,483
Interest on loans	142,486	183,292	220,063	280,549	....
Directors	4,725	3,600	3,800	3,550	3,300
Written off	2,653	1,800	743	10,335	22,736
Taxes	2,474,769	796,120	443,980	252,881	67,724
Insurance Reserve	237,679	74,151	....	....	....
Net profits	10,980,637	3,275,904	1,681,162	975,449	270,722
Dividends	3,238,053	641,043	632,022	....	....
Pensions	200,000	....	....	....	....
Prop. ad.	3,560,793	....	....	....	....
Cont. Res.	1,000,000	....	....	....	....
Surplus	2,981,789	2,637,850	1,049,140	975,449	270,722
Previous balance	5,742,185	3,104,326	2,055,185	1,079,736	809,014
Profit and loss balance	8,723,974	5,742,185	3,104,325	2,055,185	1,079,736

How Smelters' Figures Compare

Principal balance sheet figures compare as follows for past 9 years:

	Gross Rev.	Net Income	Net. Avail.	Div. Paid	Surplus for Year
1917	$15,316,635	$1,753,417	$1,076,829	$ 995,013	$ 81,861
1918	12,608,980	1,371,018	835,593	1,047,745	d212,152
1919 (15 mos.)	12,748,302	1,273,214	825,673	1,315,462	d489,789
1920	10,564,074	411,196	d59,292	790,028	d849,320
1921	10,296,299	701,436	270,723	....	270,732
1922	11,599,965	2,466,859	975,448	....	975,448
1923	13,250,830	3,755,013	1,681,161	632,022	1,049,140
1924	19,103,094	6,173,327	3,278,904	641,043	2,637,861
1925	33,666,066	13,255,406	6,219,847	3,238,054	2,918,789

	Total Assets	Curr. Assets	Work. Cap.	Reserves	Surplus
1917	$16,994,569	$4,789,022	$652,054	$20,278	$2,360,275
1918	17,099,923	4,597,558	140,207	16,999	2,147,123
1919	19,866,739	5,187,592	528,311	15,424	1,658,334
1920	21,681,122	5,246,421	d2,091,987	......	809,014
1921	21,317,471	4,431,702	d2,273,332	......	1,079,737
1922	21,341,879	3,786,570	d966,424	......	2,055,185
1923	22,890,198	4,388,028	d864,145	......	3,104,325
1924	26,248,195	7,467,170	1,523,511	......	5,742,187
1925	35,213,062	14,516,433	10,219,370	4,560,794	8,723,974

	Mines Claims, etc.	Plant Acc.	Ore, etc., in Hand and Inventories	Cap. Stock	Fund. Debt
1917	$7,303,444	$4,867,505	$3,586,610	$10,477,450	......
1918	7,884,564	4,589,608	4,011,599	10,477,450	......
1919	9,360,854	5,289,740	4,239,140	10,533,700	$3,000,000
1920	10,160,767	6,244,586	4,823,384	10,533,700	3,000,000
1921	10,384,620	6,473,873	4,091,784	10,533,700	3,000,000
1922	10,174,209	7,352,557	3,534,747	10,533,700	*4,000,000
1923	10,064,415	8,411,310	3,688,749	10,533,700	*4,000,000
1924	9,790,962	8,990,063	6,455,967	10,695,850	z3,866,500
1925	10,041,774	10,654,854	7,324,480	12,675,300	......

*Also $2,000,000 hypothecated as security for special loan.
z—Also $1,900,000 hypothecated.
d—Deficit.

Besco Mine Operations to be on Larger Scale

From Our Own Correspondent.

SYDNEY.—Unless activities of the O. B. U. result in trouble before that date, there will be a big acceleration of mining operations in Nova Scotia about April 15, when two or three of Besco's biggest producers will get back on the output list after being idle for several months receiving general overhauling, and, in the case of two, new steel bankheads.

The output of the Acadia and Cumberland pits has been sold out to the end of December, 1926, and a good demand for all classes of Cape Breton coal is reported. All the island mines will work steadily on full time until the close of navigation. This prosperous outlook is due in large degree to the recently signed wage contract between Besco and the U. M. W.

AUSTRALIA BUYS ALBERTA SEED

PINCHER CREEK. — The Timothy-Seed Growers' Association here has contracted for the sale of about 110 tons of last year's crop in Australia, at a particularly favorable price. In a recent address to the Canadian Seed Growers' Association, G. M. Stewart stated that the area in the vicinity of Pincher Creek has, under favorable weather conditions, produced more than 3,000,000 pounds of seed annually.

Public Utility Earnings

CANADIAN WESTERN NATURAL GAS

January—	1926	1925	Change
Earnings	$138,443	$163,953	—$25,510

WINNIPEG ELECTRIC RAILWAY

January—	1925	1926	Change
Gross Earn.	$505,114	$507,833	+$2,719
Expenses	327,654	310,241	—17,413
Net* Earn.	$277,460	$197,592	+20,132

B. C. ELECTRIC RAILWAY

	1925	1926	Incr.
Gross Earn.	$1,039,316	$1,081,569	$42,253
Exp., Maint., &c.	710,200	750,590	40,390
Net income	$ 329,116	$ 330,979	$1,863
Aggr. Gross from J'ly 1 to Jan. 31, 1926	$6,569,498	$7,075,132	505,634
Aggr. Net from J'ly 1 to Jan. 31 1926	$1,928,416	$2,069,804	141,388

MONTEREY RAILW'Y, LIGHT AND POWER

3 Months to Sept. 30—	Gross	†Wk. exp.	Surplus
Rail., Light and Pr.	$216,953	$232,755	x$15,801
Water. & Sewage	64,651	39,195	25,455
Total	$281,605	$271,950	$9,654
Aggr. Earn. from 1st Jan., 1925, to 30th Sept., 1925	$803,347	$ 775,812	$27,535

xDeficit.
†Including provision for renewals and obsolescence.

EAST KOOTENAY POWER

	Feb. 1926	Feb. 1925	Inc.
Gross	$30,116	$31,683	x$1,566
Op. exp.	7,341	6,779	x 561
Net	$22,775	$24,903	x$2,128
Eleven months ending February 28,	1926	1925	Inc.
Gross	$351,186	$305,018	$46,168
Op. ex.	88,047	51,501	$36,546
Net	$263,139	$253,517	$ 9,622

xDecrease.

More Frequent Reports on Smelters, Says Pres. Warren in His Report

President J. J. Warren's remarks are in part as follows:

Lead and zinc prices were abnormally high throughout the year. They are still considerably above pre-war averages. It is, therefore, impossible to prophesy as to the future—though at the moment a serious drop does not seem probable.

If shareholders realize that owing to the large production a small variation in metal prices over the year affects the profits to a very substantial degree—they will understand why the management feel quite unable to estimate future net earnings.

Then, as metal prices vary so much from month to month—and sales do likewise—a monthly statement, without interminable explanations, might misrepresent real conditions.

Possibly quarterly statements of production and semi-annual estimates of profits might be made advantageously—the directors invite the suggestions of shareholders in this regard.

As expected, copper prices remained around 14 cents in New York. Consequently, the Allenby Copper Company began operations at Copper Mountain near Princeton, B. C., in the early fall. They are now actively and continuously engaged in extracting and milling ore—the resultant concentrates being shipped to Tadanac for treatment.

The Sullivan Mine continues to develop satisfactorily. The Rossland Mines are disappointing—though some development is still being done. Your other properties are about as usual.

Claims on Quebec

Some options have been obtained and some claims located in the Rouyn district in the province of Quebec, and some exploratory work will be done there after the opening of spring.

Options on other properties in British Columbia have been secured and some development work done on them.

A good deal of exploration work was done during the year and much more will be attempted in 1926, in line with the policy of the company to extend its operations wherever this can be done with a fair chance of success.

The research department made good progress in different lines, the results of which will be apparent in increased efficiency and new metallurgical methods. Patents are being obtained covering the improvements worked out.

The additions to the lead and zinc plants and the other extensions referred to in last year's report are practically finished. They give entire satisfaction.

The West Kootenay Power and Light Company, Limited, completed the installation of the two 20,000 horsepower units referred to in last year's report—number one going on the line in June and number two in August. The work was well done. It reflects much credit on the power company management.

Another Power Unit

Owing to additional power requirements, the directors have arranged for the installation of a third 20,000 horsepower unit by the power company. This work has been started and should be completed next summer.

In order to assist the power company to pay for the installation of number two (20,000 horsepower) unit, which was not provided for when that company issued its bonds (guaranteed by your company) amounting to $1,750,000, your directors purchased at par ($100 per share) six thousand shares of the power company's common stock.

Capital expenditure amounted to $3,560,793.84, of which $772,244.88 were spent on property account and $2,788,548.96 on plant account. The principal items were:

Property:	
Purchase of Coast Copper Company bonds	$ 125,100
Purchase of West Kootenay Power & Light Co. shares	600,000
Plant:	
Smelter and refinery extensions	2,235,711
Sullivan Concentrator, and other extensions and improvements, including additional housing	293,747
Moyie (St. Eugene) Concentrator	223,280

Dividends aggregating six per cent. and a bonus of five dollars a share were declared during the year.

Position Stronger

The statement indicates a stronger financial position than a year ago. It also shows about thirty-five million dollars of assets as against about twenty-six million dollars last year.

As the company's operations expand, more and more working capital will be required, and more and more of a reserve needed to carry on operations over a period of depression—if one should occur.

In order to secure the lowest costs, the mines and plants must be run to capacity. The highest possible profits will thus be made both in good times and in bad ones.

The time may come, though, when it may be necessary to store some or all of your metal production for some months—if not longer. This will require a very large amount of free cash to pay wages and purchase running supplies.

At present the monthly payroll is about $500,000 and other monthly operating expenses, including freights, about $400,000. In addition, about $300,000 a month is needed to take care of the purchase of customs ore.

The towns in which your employees live are really "one-industry" places, your operations constituting the industry. In case of interrupted employment the workmen would have great difficulty and be put to considerable expense to secure other positions. They are giving good service. Your directors feel that your treasury should be still further strengthened so as to ensure these employees steady work, in case a temporary depression should develop.

If, however, metal prices continue about as they are, this can be done and still liberal dividends paid.

The statement shows that, excepting current bills and taxes, you are free from debt.

In last year's report you were told that the remainder of the special loan had been liquidated early in 1925. The Power Company advance, which stood at $504,351.01 at the end of 1924, was repaid in the early summer. Besides purchasing at par, $600,000 of the common stock of the Power Company, you have loaned that company $156,619.29 to help pay for the additional equipment installed.

All of the outstanding bonds of both issues have been retired almost entirely by the exchange of your shares therefore, as authorized by the last annual meeting.

The patent litigation referred to in the last report drags along—practically nothing has been done in the infringement action brought against your company by French's Electrolytic Zinc Process Company. On the other hand, an action in the exchequer court by the Electrolytic Zinc Process Company (a Montana corporation) against French's Electrolytic Zinc Process Company to have the alleged patents declared invalid is being pressed.

In view of some recent patent decisions by the United States courts, your directors submitted the claims of French Electrolytic Zinc Process Company to one of the leading firms of patent attorneys in New York, and received an opinion confirming the views of your Canadian legal advisers.

Saskatchewan Loan Submits Report for 1925

Earnings of the Saskatchewan Loan & Investment Co. are shown at $28,228 in the annual report for 1925 compared with $29,163 in 1924 and $29,720 in 1923. Following is a comparative statement of profit and loss figures and a summary of the earnings record for eight years:

Profit and Loss

	1925	1924	1923
Earnings	$28,228	$29,163	$29,720
Expenses	4,858	4,833	4,992
Income tax	2,105	2,060	2,251
Writ. of mtge.	1,724	.....	.....
	8,687	6,893	7,243
	$19,541	$22,270	$22,477
Bal. forward	10,826	10,875	10,319
Pay on stock	604	.....	.....
Def. profits	947	.....	.....
	$31,918	$33,145	$32,796
Dividends	22,508	22,319	21,921
Balance	9,410	10,826	10,875
	$31,918	$33,145	$32,796

Eight Years' Record

Year	Paid-up Capital	Profits	Div. Av.	Per Cent. Profits Cap.
1918	$314,243	$23,667	x7+5	7.6
1919	333,210	23,080	x7+5	6.9
1920	339,189	24,071	x7+5	7.1
1921	341,812	17,110	†7+4	5.0
1922	345,036	25,465	7	7.4
1923	351,338	22,477	7	6.4
1924	352,475	22,270	7	6.3
1925	353,649	19,544	7	6.0

x 7 per cent. paid on permanent stock and 5 per cent. on accumulative permanent stock.

† 7 per cent. on permanent stock and 4 per cent. on accumulative permanent stock.

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News of the Mines: *A Department for Executives and Investors*

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

ACCUMULATION OF MINE SHARES AT EXISTING LEVELS

Analysis of Figures on Recent High and Subsequent Break Indicates Recovery

The mining stocks are recovering from the recent heavy slump. An analysis of the table below indicates this. Spread over a period of two months, this table shows the extent of the rise in February when the market had, what some are pleased to call, "its most hectic period." The third column shows the extent of the decline in the severe break which hit the market early in March while the final column gives an idea of the recovery that has taken place.

With exception of Laval, Quebec, all the Quebec issues have come back fairly well. Laval has been quiet. The company is preparing for a busy summer and little news in regard the issue is coming out.

Coniaurum Looks Low

Coniaurum is about the only one of the golds that is still at the recent low mark. Goldale, the market for which is practically regulated by the Coniaurum price has made a two point comeback. Kirkland Lake, Lake Shore, Wright Hargreaves, Tough Oakes, Argonaut, and Teck Hughes, the active Kirkland stocks have all recovered somewhat, though only slightly in some cases. McIntyre, Dome, Hollinger and Vipond have also done better, though C. W. Dome has been weak.

The Silvers have done considerably better with the exception of Coniagas, which like Goldale is subject to the Coniaurum market.

Accumulation Going on

Seemingly many concluded that the recent break carried the market quite close to the bottom and have started in to accumulate stocks. This is the explanation of some brokers of the cause of the recovery. There are no predictions of another bull move. Some well informed market students look to see a number of stocks do better before the summer lull sets in, but they believe that it will be a movement based on individual merit and for this reason are advising clients to pick up the better issues. There is no flood of stocks on the market and seemingly the public is satisfied to hold and wait for a better market. Good news is coming down from the north steadily and this is bound to be an important factor in steadying prices. The market trend is shown in the following table:

Stock	Feb. 1	Since High	Low	Present
Quebec				
Amulet	130	150	100	110
Noranda	1625	1844	1200	1270
Burlanque	770	940	770	940
Laval	37	38	29	30
Golds				
Argonaut	43	46	29	31
Harry-Hol.	32	48	34	42
Coniaurium	425	430	350	350
C. W. Dome	23	29	18	18
C. Reserve	17	24	16	18
Dome	1800	1995	1560	1600
Goldale	38	42	30	32
Hollinger	1900	1995	1835	1870
Kirkland	125	144	92	97
Lake Shore	1275	1285	950	1040
McIntyre	2425	2975	2320	2400
Teck-Hughes	370	378	281	300
T. O. B.	50	62	42	47
Vipond	200	200	150	155
W. Harg.	950	960	800	810
Silvers				
Can. Lor.	85	86	69	77
Beaver	85	99	63	70
Capitol	41	50	40	42
Castle	163	185	145	156
Coniagas	420	450	400	400
Keeley	175	181	143	155
LaRose	32	33	15	15
Mining Corp.	359	445	330	368
Nipissing	710	710	575	630

Haultain Silver Mines Increases Capitalization

Haultain Mining Co. shareholders have ratified the proposal to increase the capital one million dollar shares to $3-000,000. The directors are increased 5 to 9. Pres. Smart said that a shaft has been sunk to a depth of 162 feet. A station has been cut at the 150-foot level, from which point about 610 feet of drifting and cross cutting has been carried out. At this level six veins have been disclosed, varying in width from two to five inches. The directors recommend that a vigorous development policy be followed as soon as the finances of the company will permit.

Argonaut Will Increase Tonnage in Summer

Argonaut is going to increase its hoisting capacity and, later, its mill, according to Gen.-Mgr. J. A. Naud. The shaft is completed to 1,000 ft. The mill is now running on a 100 ton daily output and plenty of ore is available from upper levels for some time to come. As soon as the hoist is put back into action in the shaft, work will be resumed on the 625- and 750-foot level, where there is plenty of ore to draw from.

Confident of a larger output being available, the directors have decided to replace the old surface hoist in the main shaft by a new one with larger capacity. The new hoist should be in operation shortly after ore has been developed at the two new levels, 875 and 1,000 foot, and this will place the operation in a position to increase the output of the mill early this summer.

Coniaurum Shaft Has Reached 1260-ft. Level

Coniaurum Mines, Porcupine, is cutting a station at 1,260-ft. level in the shaft and will later resume sinking to 1,510-ft. after which lateral work will be undertaken at 1,026 and 1,510-ft. levels. It is expected that these levels will surpass the results on the 1,000-ft. level where the long crosscut from the Newray through the Armstrong-Booth to Goldale was run. A new compressor to supply additional air has been ordered.

Manitoba Lacks Incentive to Push Ahead Mines Exploration

Ontario Owns Its Minerals, But the Prairie Mining Rights Are Property of Dominion — Railway is Needed

Manitoba newspapers are declaring that the time has arrived for Manitoba to deal with the question of supplying transportation to the central Manitoba mining section, contending that the advent of Red Lake makes a decision urgent. The Free Press says there is nothing as yet to suggest that this field, which is merely the extension of the mineralized area of central Manitoba, is a whit more promising than the Manitoba district; but the Red Lake discoveries have made fifty times the stir in the world of mining and finance because they have taken place in a province which knows by profitable experience how potent mining development is in building cities, multiplying trade, and increasing population. Ontario is prepared to see in Red Lake, upon showings that would hardly stir the pulse in this province, a new Porcupine, a second Kirkland Lake; and, in this faith, she will draw upon her energy, her experience and her wealth to force development at a pace that will far outstrip any similar developments in this province.

Of course, the incentive is greater in Ontario, since that province owns the mines; whereas, in Manitoba, the mines are the property of the Dominion. The promptitude with which the Ontario government opened a mining office to facilitate the recording of claims is an indication of just how alert Ontario is in this matter. The summer will see a mining camp of some size at Red Lake; and if the results bear out the prospects, the power of Ontario will be exerted to supply the camp at the earliest possible date with railway connection with the outside world. Ontario, it must not be forgotten, owns a good many hundred miles of railway devoted chiefly to the development of mining areas; and it is not likely the province would hesitate a moment in building its own line into Red Lake from Hudson or some other point on the Canadian National if this should be deemed necessary.

Who Owns Minerals of Northern Manitoba?

The Supreme Court of Canada is to decide whether the Dominion or Hudson's Bay Co. owns the precious metals on the Hudson's Bay Co. lands. Manitoba claims that the minerals in question belong to this province, asserting that all precious metals found in the province from July 15, 1870, belonged to His Majesty the King in the right of the Province of Manitoba.

The issue to be decided recalls the days of confederation. Back in 1856 the agitation spread that the western boundary of Canada should be the Pacific. Till 1859 say the history books, Canada sought possession of the west by disputing the boundaries and attacking the validity of the Hudson Bay's charter. "The possession of the west," says one account, "became a matter not of law, but of political negotiation."

COPPER OUTPUT IN CANADA HIGHER

Rise in Price Has Stimulated Activity Especially in B.C.

The production of copper in Canada has so far been confined to the provinces of British Columbia, Ontario, Quebec, Manitoba, and to the Yukon Territory; although deposits are also known to occur in the Maritime Provinces and in the Canadian Arctic. The total output has varied in recent years, but averages between fifty and sixty thousand tons of blister copper and copper matte per annum, a quantity of which is retained in Canada. The increased demand and the subsequent rise in price, however, have stimulated activity in the mining and smelting of the metal, and the production for the year 1925 has been one of the best on record, amounting to about 56,000 tons.

Operations have been started in British Columbia by the Consolidated Mining and Smelting Company of Canada, in the treatment of the ores which have accumulated at the company's smelter and of the concentrates received from the Allenby plant near Princeton. After being idle for several years, the latter property has been taken over by the Granby Consolidated Mining, Smelting and Power Company, which, with a milling capacity of 2,400 tons a day, is already handling about 1,000 tons. The Granby Consolidated mines, smelter and mill at Anyox are also working steadily. Part of the ore goes direct to the smelter and the balance is treated in the mill, which has a capacity of 1,000 tons a day. The Britannia Mining and Smelting Company's mines and mill at Britannia Beach have also been operating regularly to the full milling capacity of 2,500 tons. Work has also been resumed at the Kamloops Copper Company's mine at Kamloops, and the smaller operators throughout the province are also actively engaged.

At Nickel Mines

In the Sudbury region of Ontario great activity persisted throughout the year. The nickel-copper ores of this area are mined, smelted and partly refined in Canada. The copper production derived from the treatment of the Sudbury ores amounts to about twenty thousand tons for 1925, two-thirds of which have been refined in this country, the balance being exported to the United States and Great Britain in the form of blister copper and copper-nickel matte.

In Quebec operations have been carried on by the Eustis Mining Co. at Eustis, with an increased production due partly to the application of an improved method of selective flotation for treating the copper ores. The very encourging results met with in the development of the Rouyn area of northwestern Quebec, notably at the Noranda, the Amulet and the Waite properties, and the assurance of railway and good road facilities, indicate great prosperity for this new mining region. The copper ore discoveries have been accompanied by finds of important deposits of gold and of zinc ores. The year 1926 will probably witness the erection of a smelter and possibly a milling plant, as well as the construction of a branch railway which will follow a line in proximity to the most important known deposits.

The outlook for increased copper production from Canadian deposits is thus very encouraging, and with copper at a reasonably high price one can look forward to a renewal of operations in The Pas mineral belt in northern Manitoba, where large deposits have been proven, and also feel confident that more intense prospecting and exploration throughout Canada will prove the existence of deposits as yet unsuspected.

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TWO MORE COAST PROPERTIES SOLD

Brooklyn Stemwinder Operated Prior to 1910—Last Chance is Older

VICTORIA, B. C.—Two mining deals of importance have been consummated involving Phoenix camp properties and Vancouver capital. The Brooklyn-Stemwinder mine, it is announced in messages from Grand Forks, has been acquired by Harry Miller of this city, acting in behalf of Merritt Mines, Ltd. The Last Chance Mine is reported to be changing hands for a consideration of $40,000.

The Brooklyn-Stemwinder mine was owned by Robert Forshaw, of Greenwood, and has had an interesting history. It operated from 1906 to 1910, when held by the Dominion Copper Company, and is said to have shipped about 300,000 tons of ore. In the Brooklyn more than 50,000 tons of ore has been blocked out. Values have been estimated to be about $6 or $7 per ton.

A concentrator will be built by the new owners, but the location has not been decided on. It may be located in Phoenix or the ore may be trammed down the hill to Greenwood, three miles distant.

The Last Chance figured in the list of producers 20 years ago. Five years ago, James Poggi, of Grand Forks, one of the owners, made several shipments. The ore is said to run between 45 and 50 ounces in silver, one ounce in gold, and to have substantial values in zinc and lead.

KIRKLAND CONSOLIDATION

Consolidation of Elliot-Kirkland and Macassa properties, adjoining Kirkland Lake Gold on the west, has been approved by Elliot shareholders. The company will hold five claims and an option on four.

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Studying Gold Mining Possibilities of N.S.

J. C. Murray, Ontario mining engineer, is making a survey of gold mining possibilities of Nova Scotia for the government. Hon. G. S. Harrington, minister of mines, told the N. S. legislature steps had been taken to secure consideration of the gold possibilities. An expert had been surveying gold prospects for some time and the report was that large ore deposits were yet untapped, comparing favorably with those in Ontario and other places where gold mining was being carried on successfully.

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News of the Mines

ANOTHER WELL STRIKES WET GAS IN TURNER FIELD

Illinois Alberta Well Gets Gas Flow at 3,339 Feet

Expect Important News From Turner Valley Oil Field in Next Few Weeks

Developments in Turner Valley oil field near Calgary are looked for in the next few weeks, as several of the wells now drilling are nearing production. Any of these wells coming in will start another keen demand for stocks of all companies and brokers who are in close touch with the situation are taking advantage of the present lull in activities to make their connections with outside cities and towns, as they believe the next activity will be lasting.

CALGARY.—The strike of a wet gas flow in the well of the Illinois Alberta Oils Ltd., L.S.D. 14, 12-20-3, W5, in the Turner Valley field, at a depth of 3,339 feet was the outstanding feature of the week in local oil circles. The new flow, which is not the only one or the largest that has been encountered in the drilling of this hole, is estimated at between one and two million cubic feet per day. Some traces of dark oil were brought to the surface by the gas flow. The well is being drilled deeper. At present the crew is making open hole, being some two hundred feet below the end of the six-inch casing and in a remarkably hard formation. The new flow caused the usual flurry in the stock of the company, which shot up from about $1 (par) to $3, and later dropped back a little.

Another Well Started

Another new well was spudded in during the week when the Great West crew began making hole on the lease held by the company on the southeast quarter of section 7-20-2, W5, across the Sheep creek from the Royalite No. 3. This hole is being drilled on contract, William Maughan, of the Ohio-Maughan well in Montana, undertaking the job. The contract calls for a 4,000 foot hole, for which the contractor will receive $50,000. The company is to supply the casing. The driller undertakes to run the eight-inch casing to 3,500 feet.

At the Vulcan well the drillers are making good progress and the last report gave the depth at 4,250 feet. They are still making eight-inch hole and considerable crude oil continues to run into the well from different levels.

At the Dalhousie locations good progress is being made in deepening the old wells of the Southern Alberta and Alberta Southern companies. At Dalhousie No. 3 a lost string of tools caused some delay but was fished out in quick time. This well is down 3,250 feet and is drilling. At Dalhousie No. 1 the crew is drilling through some old pump tubing at a depth of 3,510 feet, or about 35 feet off the bottom of the old hole. This well is the deepest one in the immediate vicinity of Royalite No. 4, which struck the big pay at 3,740 feet.

Make New Start

The crew at McLeod No. 2 has not made any new hole since they struck a wet gas flow some weeks ago, but it is expected that drilling will start in the near future.

The crew at Royalite No. 5, which is being drilled with a rotary outfit, have pounded up the piece of broken bit that was in this hole and are making hole again. The well is down 2,996 feet. The Imperial well at Jumping Pound, Bow River No. 1, is down 927 feet and drilling. At the Coalspur well, west of Edmonton the crew is still working on the 6-inch casing. This hole is down 4,035 feet.

MINING STOCK QUOTATIONS

Week Ending March 29

	High for week	Low for week	Close Mar. 29	Close Mar. 23	Sales for week
Amulet	1.18	1.07	1.12	1.09½	24450
Apex	3½	3½	3½	3¾	1000
Area	30	25¼	30	25½	2050
Argo. Cons.	31½	29½	29½	31½	41650
Atlas	3¾	3½	3½	4	13000
Baldwin	2½	2½	2½	2½	16300
Barry Holl.	43	34	40½	37½	194750
Beaver	71	63	68	64½	45250
Bidgood	7	6	6	7	6000
Boston Creek	4½	4½	4½	5½	2000
Buckingham	3½	3½	3½	3	2000
Can. Lorrain	80	76	78	79¼	15355
Capitol	42½	40	41	41	114850
Castle Tre.	1.62	1.45	1.55	1.47	78010
Clifton	2¾	2½	2¾	2½	4200
Coniagas	4.00	4.00	4.00	4.15	650
Coniar'm.	3.50	3.50	3.50	3.50	330
Col. Kirkland	6	5	6	5½	55000
Cons. Smelters	208	188	200½	204½	33117
Cons. W. D.	19½	18	18¼	19¾	142900
Crown Res.	18¾	14	17½	15½	98300
Duprat	14	14	14	..	7000
Dome Mines	18.00	15.15	1540	18.15	43785
Everett	10	8½	9⅛	9	75200
Gold Hill	30	28½	30	36	2750
Goldale	32	28	30	30	31600
Gold Reef	3	2¾	3	3	9500
Gladstone	37	37	37	37	1000
Hollinger	1875	18.30	18.30	18.75	2445
Kirk. Hunton	30	25	29	27	28750
Indian	14	7	11	7	180670
Laval	31	28	29½	30	17950
Int. Nic. com.	36	33½	33½	36½	1679
Keeley	1.57	1.51	1.54	1.53	39450
Keora	11¾	11	11	12	85500
Kirk. Lake	1.01	.90	.96½	.92½	105060
Lakeside	2¾	2¼	2½	2	38500
Lake Shore	10.50	10.00	10.15	10.25	4880
La Rose	16½	15	15	16	32600
Lorrain	71	6	7	6⅞	96400
Lorrain T. L.	90	80	85	93	5500
McKinley	20	18	18½	19½	28000
McIntyre	24.25	23.20	23.60	24.30	11510
Beatty	1	⅞	1	1	2000
Chaput H.	17	15	15¾	16	25550
Bourlamaque	9.40	9.30	9.30	9.40	14920
Don Rouyn	40	30	38	35	9800
Millcrest	19	15½	17	19	29850
Mining Corp.	3.72	3.50	3.55	3.75	24349
Newray	35	34½	35	35¼	4500
Nipissing	6.40	5.80	6.35	5.80	8664
Night Hawk	7	6½	6½	6½	15300
Ophir	3	3	3	2½	1500
Pete. Lake	2½	2½	2½	2	500
Porc. Crown	6½	6½	6½	6½	900
Premier Gold	2.27	2.13	2.13	2.20	4290
Preston	7¼	7	7	7	21000
Teck Hughes	3.00	2.81	2.94	2.90	143021
Thomp Krist	2	2	2	2	1000
Timiskaming	12	12	12	13	350
Tough Oakes.	48½	45	45½	48	78650
Rouyn	5	4	4¾	4	92000
Vic. Silver	7½	7	7	8	5100
Vipond Cons.	1.58	1.51	1.58	1.55	71200
Rouyn, Que.	3¼	2½	2½	3	4000
Wasapika	2½	1½	1½	2½	9000
West Tree	3	2⅞	3	3	9000
Wettlaufer	4¾	4½	4½	4½	13000
Wright Har.	8.10	8.00	8.00	8.15	3950
Noranda	13.75	12.00	12.65	12.52	14449
Noranda Rts.	27	20	25	24	18285
Vickers	45	41	454	50	4500
Wigwam	11	7	11	..	6000

Stake First, Prospect After, is New Order Red Lake Introduced

The rush into Red Lake brings to light one very interesting change in the method of prospecting. Heretofore the prospector has got out and, after careful prospecting and locating what the Mining Act used to ask for "Mineral in Place," the claims would be staked.

Red Lake has altered all this. Prospectors are rushing in to-day cutting a bunch of stakes and looking for ground that hasn't been taken up. The closer in they can get the better, but the percentage of those that see the rock or formation before the stakes are in place are very very few. When the sun's rays of early spring clear the snow off the rocks, then the prospecting will start.

Time alone will tell how far the rush into Red Lake is justified. The uncertainty of the situation makes Red Lake a real and interesting gamble.

PREMIER'S POSITION REGARDED AS STRONG

Recent Selling Has Carried Stock Down Close to $2 Per Share

The recent decline in Premier Gold mine shares to $2.15 is given the following explanation by R. P. Clark & Co., Vancouver, who have been close students of the operation. They say that a number of smaller owners have been somewhat frightened by an article appearing in a Spokane journal, stating that Premier had probably now passed its zenith and it might be well to sell these shares and buy B. C. Silver. It will be apparent to anyone considering this question that Premier is a large owner of B. C. Silver, holding nearly 40 per cent. of the stock, and that anything which favorably affects B. C. Silver will also be of interest to Premier shareholders. On the other hand, it is a well-known fact that Premier has spent a tremendous sum of money during the past year in doubling the size of the concentrator, installing a new aerial tramway and in improving all camp equipment. It is not conceivable that the American Smelting & Refining Co., who control this mine, would make these expenditures unless positive of their position for many years to come. Our advice has been, and is at the present time, that they are in an exceptionally strong position, have sufficient ore for many years, and can continue the present dividend for a long time to come. In addition to this, their ownership in the B. C. Silver and the possibility at a future date of these two companies amalgamating, places the Premier in the best possible position.

MINE OPERATION TO PRODUCE FERTILIZER

Cooper Claims Near Head of Lakes Have Carbonate of Lime and Phosphates

What has every indication of a serious attempt at mining development has been launched on the Cooper claims in Neebing, eight miles west of Fort William. Sidney Hancock, mining engineer, who lately has returned from reporting on the Kaolin clay at Moose river, has been at the Cooper claims locating the power house for the turbines and the levels for the reservoir dams.

It is understood that there is available more than a 40-foot head of water which will give ample power to run the crushers and grinders, the drills and other machinery, which, according to plans, will be used. This equipment is stated to be partly installed, and the balance is about to be installed.

It is stated that the vein to be developed is more than 40 feet wide and about 2,000 feet long. It yields a carbonate of lime and phosphates which it is the intention of the company to grind up and put on the market as a fertilizer for farm lands.

It is understood that there are two other veins on the property close to the carbonates of lime and that these carry silver, copper and lead.

According to officials of the company the potential wealth of these claims in fertilizer alone runs into millions of dollars. It is declared that competent analysts have declared the carbonates of lime to be amazingly rich and valuable as a fertilizer for farm or garden lands and that there is a keen demand for such material.

Sudbury Coal Leases Again Being Sought

Once again farmers of Chelmsford district near Sudbury are being asked to option their properties to allow coal mining. A F. Coyne is back again and it is reported has taken up about five square miles. It is said that the farmers are signing on terms of 10 cents a ton royalty on all coal and 10c. a barrel royalty on petroleum, should they fortunately discover either or both. Drilling operations are to commence at once. Little is known of the plans or theories of the new syndicate. There are several outcroppings of anthraxolite in the section now being optioned, but heretofore interest in the possibility of coal in the Sudbury nickel basin has been in the vicinity of Larchwood.

Cryderman Vein Traced for 1500-ft. on Surface

Mining Corporation has a crew of 40 men at work on Cryderman property at Partridge Lake, Central Manitoba. The shaft is now below 50-ft. and it is the intention to drift on the vein at 100-ft. A Winnipeg paper quotes J. R. Cryderman, the staker of the claims, and an employee of Mining Corporation, as stating that they are satisfied that the vein is a rich one "and we have already traced it about 1,500 ft. The ground is comparatively easy to work and a good winter road across the lake furnishes us with present transportation facilities. We are doing all our shipping in supplies and machinery now as winter affords the only feasible opportunity to do so. In the summer we use canoes."

Mr. Cryderman first investigated the Partridge Lake area last April when with his son, he went by canoe 70 miles from Lac du Bonnet up Bird River. On making a strike they returned to Winnipeg and recorded their claim. When they went back they took with them a gang of men to work the property.

The Victoria syndicate was also planning a camp in the area, he said, and the Eldorado Mining Co. was putting on a similar development program.

Metal Prices Are Important Factor in Smelter's Position

Smelter's 1925 report serves to indicate that there are two very important factors having much to do with the company's position and earning power. These are base metal prices and production. Prices are placed first, as they are the dominating factor in the latter. If base metal prices hold their present level the company's income may move up on increased production, but if they break suddenly, production in dollars will not only fall off, but the decline may make ore valueless from a commercial standpoint, and thus cut materially into ore reserves, and, perhaps, the daily tonnage. Thus a break in base metal prices might hit two ways, decreased value of production and decreased value of the mines.

On the other hand, base metal prices might go higher and then the position would just be the reverse. The company's ore reserves would be increased and production in dollars from the same amount of ore would be infinitely greater.

The importance of price variations was stressed by Pres. J. J. Warren. He said if shareholders realize that, owing to the large production, a small variation in metal prices over the year affects the profits to a very substantial degree, they will understand why the management feel quite unable to estimate future net earnings.

The 1925 figures show that there was a slight falling off in gold, but a substantial increase in silver output. Lead production was the big factor in the company's increased output. Copper was down, and zinc up nearly $6,000,000.

PRODUCTION STATISTICS

	Ore tons	Gold ozs.	Silver ozs.	Lead lbs.	Copper lbs.	Zinc lbs.	Gross value
1917	359,404	69,704	2,471,887	44,260,989	7,404,352	19,968,797	$13,921,127
1918	374,889	52,917	1,708,692	38,844,946	7,982,903	21,800,932	10,533,367
1919 (15 mos.)	398,118	59,605	1,782,025	41,711,147	6,933,962	30,743,461	9,720,531
1920	592,763	42,636	1,097,930	26,474,652	4,501,594	36,995,394	7,326,925
1921	432,078	56,334	1,198,114	57,683,328	3,056,910	52,988,159	6,836,420
1922	407,260	18,864	2,116,351	84,352,017	1,243,952	55,564,960	9,104,080
1923	519,613	11,113	2,960,714	95,941,200	....	60,051,951	11,352,004
1924	1,333,523	26,976	4,074,044	161,400,769	1,382,750	92,197,824	16,882,100
1925	1,210,698	20,516	4,704,635	236,079,266	366,439	97,910,147	28,582,065

KIRKLAND GOLD MAY BE BIG PRODUCER

This is the Hope and Expectation, J. B. Tyrrell Told Shareholders

Kirkland Lake proper will again have five producers some time this summer. Wright-Hargreaves, Lake Shore, Teck-Hughes and Tough-Oakes, are now turning out gold bricks. Kirkland Lake Gold mill, idle nearly two years now, will in all probability resume this summer, J. B. Tyrrell told the shareholders at the annual meeting.

Development of new ore is being pushed, and it is the intention to get a substantial reserve ahead before starting the mill, so as to resume continuous operation on profitable ore. One of the great drawbacks in past operations of the plan was to keep it supplied with profitable ore.

Mr. Tyrrell says they have now ore on four levels, namely, the 1,100. 1,600, 1,850 and 1,975, and have begun crosscuts to the vein at the 2,100 and 2,225-foot levels, and in a few weeks will also have ore opened up and developed at these two latter levels.

"Last year the best that we could say was that we hoped to find ore at the lower levels in our mine. This year that hope has been realized. We have found rich ore on the westerly extension of the main ore zone, and are now proceeding to develop it.

"The future of your mine seems very bright, and I hope and expect that before long it may be one of the big producers of the Kirkland Lake district, and that thus your confidence in it may be amply rewarded."

Reforms Needed to Aid Alberta Coal Mining

Alberta Coal Commission has recommended that a mines portfolio be added to the provincial cabinet. The report reveals some interesting facts about the coal industry of the province. Two-thirds of the mines of the province are abandoned and the amalgamation of several enterprises is urged. It is understood that the appointment of a coal commissioner is to be contemplated. His function will be largely in connection with coal marketing. The commission report suggests that co-operative marketing is likely to prove beneficial, with strategically located pools. The report touches on the possibility of an Ontario market for Alberta coal and lays claim to Manitoba as being exclusively an Alberta market except for the lignites of Saskatchewan.

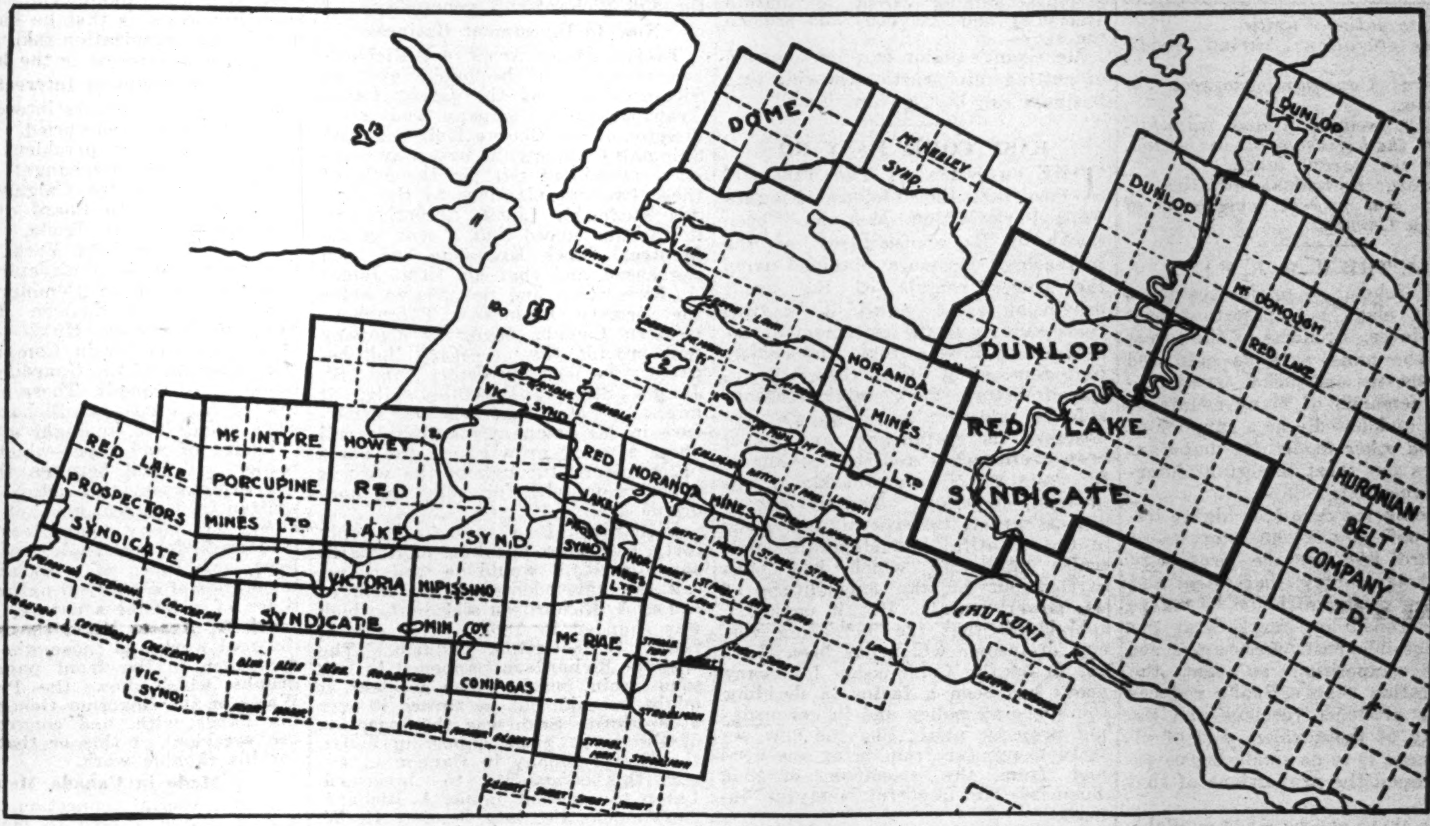
1,400 NEW SHAREHOLDERS

A year ago Kirkland Lake Gold Mining Co. had 400 shareholders. In the year the total has increased to 1,800.

Dunlop Red Lake Syndicate
Limited

Incorporated under the laws of Ontario, with an authorized capital of 16,000 Shares of no par value

[These shares are non-assessable and do not involve personal liability]



Showing the 1200 acre (approx.) group acquired by Dunlop Red Lake Syndicate, Limited.

DIRECTORS

WILLIAM DOUGLAS, Toronto, *Director Mail Printing Co.*
C. J. A. CUNNINGHAM-DUNLOP, Haileybury, *Mining Engineer.*
R. W. BRIGSTOCKE, Toronto, *Mining Engineer.*
G. W. ADAMS, Toronto, *Barrister.*
HOMER L. GIBSON, *Homer L. Gibson & Co., Stock Brokers.*
RALPH M. BIRD, Toronto, *R. M. Bird & Co., Bond Dealers.*
A. M. HAMILTON, Toronto, *Director Cobalt Contact Mines,*

Properties

Thirty 40-acre claims, 1200 acres approximately in one compact block, comprise the properties acquired by DUNLOP RED LAKE SYNDICATE, LIMITED. It is to the best of our knowledge the largest single group located on the main "break." These claims were carefully selected by Major C. J. A. Cunningham-Dunlop after a personal inspection of the area.

Major Dunlop, until having resigned recently to personally take charge of the Dunlop Red Lake Syndicate work, has been employed in responsible capacity by the Coniagas Mines of Cobalt for twenty-one years. For several years he has been in charge of field work for this company. Major Dunlop stands high in his profession for integrity, ability and unusually keen insight into the possibilities of mines in a raw state.

Major Dunlop's Statement

"These claims were all staked by myself following the easterly strike of the discovery (Howey), after carefully exploring the section of the country in which they are located. Rock exposures are frequent over the entire area. The presence of quartz-porphyry intrusions in the prevailing Keewatin (greenstones), together with masses of sediments, make an ideal condition for exploring for gold.

"While time did not permit of any systematic prospecting, nevertheless outcroppings of mineralized schist carrying quartz veins were encountered in a number of places.

"I am of the opinion that exploration of these claims is amply justified by the nature of the Howey Red Lake discovery, together with geological conditions prevailing upon them, and confidently believe that efficient effort will be crowned with success."

Major Dunlop and his associates, original owners of the Dunlop Red Lake Syndicate properties, show their faith in the venture by having entered into an agreement to transfer their properties to the Dunlop Red Lake Syndicate, Limited, in exchange for shares in this company.

The purchase of these shares
DOES NOT INVOLVE PERSONAL LIABILITY
to the purchaser or holder.

Purpose of Issue

The present offering of shares in Dunlop Red Lake Syndicate, Limited, is for the purpose of securing working capital to commence vigorous exploring of the claims as soon as practicable after the break-up, and to develop discoveries made. The completion of this offering will provide the company with adequate funds for this purpose.

Major Dunlop will be personally in charge of the work to be done on the properties. The calibre of the men at the head of this undertaking guarantees honest, business-like handling of the syndicate's affairs.

From the selecting of the claims right through the incorporation of the Dunlop Red Lake Syndicate (to avoid the objectionable personal liability phase), extreme care has been exercised in every particular to eliminate all avoidable hazards, every risk not inseparably associated with all mining ventures. In this company we believe the hazards involved have been reduced to the minimum.

The properties acquired by the DUNLOP RED LAKE SYNDICATE, LIMITED, are large, are favorably located on the strike of the ore zone, have correct geology, and were carefully chosen by an expert. The company's management is high class, its financing assured. The shares are non-assessable, do not carry personal liability and represent a speculation of unusual merit and money-making possibilities.

We offer the unsold portion of our allotment of shares in the Dunlop Red Lake Syndicate, Limited, for a limited time at $30 each, no par value.

Copy of the Statutory prospectus as filed with the Provincial Secretary may be inspected at our office and will be sent forward to each applicant for shares.

Reservations may be phoned or wired at our expense.

Homer. L. Gibson & Co.
Members Standard Stock Exchange
Mining Securities
Phone Elgin 2241
67 Yonge St., Toronto

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, APRIL 2, 1926

The Financial Post's Platform for Canada

Promote national unity.
Reduce taxation; curtail public waste.
Conserve Canadian resources for Canadians.
Develop production and manufacturing to the highest point in Canada.
Settle our vacant lands.
Encourage individual initiative.
Induce and protect investment of capital in Canada.

WILL THE H. B. R. PAY?

IN THE scheme of world economics, Canada plays her important part as a producer. Products of the forest and of the mine, such as pulp and paper, asbestos and nickel, go to supply the demands of many countries. But it is undoubtedly as a supplier of wheat and other foodstuffs that Canada plays her most important international economic role.

This being the case it is highly important, not only in the interests of agriculture but for the prosperity of the whole country, that wheat and other farm products should be transported to consuming markets at the lowest possible cost. Prices are set by world competition so that the transportation charge finally reduces what the producer receives and the prosperity of the farmers and of all other classes is to no small degree dependent upon the proportions of that charge.

If then there can be made available another shorter and more economical route from the farms of Western Canada to the markets of Europe, through Hudson Bay, it should be developed. But if that route does not promise success as a business enterprise—if it will not result in wheat being placed in world markets at a lower cost than the present routes ALL FACTORS CONSIDERED — then it may easily prove a waste of money to spend further sums on the completion of the line no matter what may have been spent on it already.

For hundreds of years the Hudson's Bay Company has been operating its vessels through the Bay to Britain. What does the company's experience teach? That information should be available to the government. The Financial Post is informed that no person in sound mind could examine the logs of the vessels operated by the Hudson's Bay Company and then favor spending another five cent piece on the project. It is indicated that the short season, the delays and the risks together with the cost of facilities, would raise the costs of transportation to a level higher than that now prevailing on the established routes.

Despite the efforts to raise the cry of sectionalism in regard to the Hudson Bay railway the question remains a national one. Opposition to it is not a matter of East and West, but rather the attitude of the taxpayers of the country who are bearing the cost of the premature building of the Grand Trunk Pacific, and fear that the burden may be increased by another economically unsound project.

THE WAGE-EARNER'S LOT

THE gap between the purchasing power of the foreign workers' wages in buying the necessaries of life in their respective countries, and those of the industrial workers in the United States has been consistently narrowing during the past year. This is due, according to an analysis made by the National Industrial Conference Board, New York, to increased foreign money wages or lowered foreign price levels, or both.

A study of foreign wages and their purchasing power made by the board on the basis of data collected by the International Labor office of the League of Nations at Geneva for the first nine months of the year 1925, discloses that the biggest "real" wages prevailed in the United States. The London worker on July 1, 1925, was receiving a little more than half the equivalent of the American "real" wage, an improvement over the beginning of the year 1925, however, when his real wage amounted to less than half that of the American real wage. Canadian and Australian real wages, on the basis of data from Ottawa and Sydney, were higher than London wages throughout 1925.

FRIENDS OF THE PEOPLE

RICHARD F. Grant, upon whose shoulders fell the task of bringing to end the longest tie-up the American hard coal industry has ever known, is a former president of the United States Chamber of Commerce. "Modest and forceful," is the way the New York Times described him. To these adjectives might have been added "humorous," says the Nation's Business. Nothing could be more delightful that Mr. Grant's description of the way in which various agencies undertook to settle the strike. It's worth reprinting:

> When a coal strike develops, many champions of the people with political hopes start to develop ways and means to capitalize the situation for their own benefit. The first thing to do is to convince the people of their general love for humanity.
>
> There is no publicity value in being a private lover, and so their love is proclaimed loudly. The next thing is to have a plan or to offer their good offices. This is done so that later, when the strike is settled, they can point with pride to their helpfulness. Hundreds of plans have been submitted. Generally they follow the plan of the Ten Commandments, the Episcopal marriage ceremony or Mrs. Rorer's cook book.
>
> These champions of the people accomplish nothing except to confuse everything and everybody and prolong the strike.

Mr. Grant's action is a fine example of putting into practice the rule that business can best govern itself.

EASY COME, EASY GO

THE sugestion of The Financial Post that the Victoria Niagara Falls Parks Commission has been lavish in its expenditures of the increasing revenues obtained from the power rentals of the great provincial asset which it controls finds support in the statement of the Bridgeburg Review that "the project for remodeling the refectory in Queen Victoria Park might reasonably be deferred; so far as we have observed the restaurant has never been overcrowded and the building is far from being a ramshackle or unpleasing structure." The Review, as a local paper, takes a natural pride in the beautiful and elaborate landscape gardening which has been carried out by the expenditure of the power rentals. But it evidently appreciates that the increasing volume of income which has been flowing in on the Commission for many years has been a factor in deciding the spending policy and in encouraging projects which, like the new refectory, are far from being essential and from the standpoint of good business are doubtful ventures indeed.

The situation, as pointed out by The Financial Post is that for twenty-five years the whole income from the power rentals at the Falls has gone to the Parks Commission. Instead of being used to help reduce the taxes of the people, the steadily increasing revenues from this source have been employed in the erection of elaborate buildings, the creation of parks and pleasure resorts on a scale which would seem to indicate that the plans were made in keeping with the money available rather than to meet the needs of the situation. Many millions have gone into the commission's treasury during its life as the revenues from the waters of Niagara based on an arrangement made many years ago have increased with the amount of power developed, and only in the past couple of years has anything been paid to the government.

In pointing out how many millions have been spent at Niagara on improving the beauties of one of the world's wonder spots, The Financial Post is not offering criticism of the administration of the commisioners but rather of an arrangement whereby the revenues from one of the greatest assets of the Canadian people have all been employed in creating parks and driveways, etc., while the burdens of the taxpayers have been mounting year after year and while municipalities throughout the province have been forced to curb their plans for essential civic services.

ADOLPH OCHS, publisher of the New York Times, expresses the opinion that 90 per cent. of an advertising appropriation ought to be spent by manufacturers and dealers to keep existing customers and not more than 10 per cent. to gain new ones.

THE Secretary of the Industrial Development Board of Manitoba, J. M. Davidson, foresees the time when Canada will engage in a national industrial survey to knit together the industrial activities of all the provinces. The industrial survey, as a basis for sound advertising and development has come to stay, Mr. Davidson declares, and there are many who will agree with him as to the importance of scientific methods in making the most of our national resources.

James A. Richardson is Returning Service for Value Received in Youth

A Little of the Story of the Present Head of a Big Grain Firm—Entry Into the Investment Business and What It Means

By RIELLE THOMSON.

"No, I shall not have grapefruit, thanks; it's 'off-season' and not worth it," said the business man. His two companions, a financial man and a doctor, decided the occasion warranted the gamble and ordered the fruit from the waiter.

The doctor from the wilds of northern Alberta was dining with these two in a hotel, but he, unlike his two old college friends, was secretly a trifle worried, for after dinner he proposed to "touch" them for a $200 subscription each. The money was to be used in erecting a hospital in one of the newer sections of Alberta.

The business man's canniness was amply repaid, for the two half grapefruits which arrived for his companions were bitter and without juice. However, the dinner was a success in other ways and, with the cigars and coffee, the talk turned to gridiron days and gridiron heroes at Queen's University, the Alma Mater of the three.

Finally, the doctor summoned his courage and, turning to the one who had been cautious enough not to spend money on grapefruit in an off season, broached the subject nearest his heart—the necessity for a hospital in his pioneer section of the country. He also indicated that he hoped to get two subscriptions of $200. "Jim" Richardson, for he it was, despite the fact that he would not take a chance on the grapefruit, immediately volunteered to finance the whole undertaking. To-day that hospital stands and serves the sick and needy solely through Richardson's generosity.

Now In Investment Business

To-day, James Armstrong Richardson is much in the public eye; as vice-president of the Great Lakes Transportation Company and as a director of the George Hall Coal and Shipping Company, he naturally played a prominent part in the sale of these two organizations to the Canada Steamship Lines. Recently, too, it was announced that a seat on the Montreal Stock Exchange had been purchased and that his firm, James A. Richardson and Sons, is to enter the security business. Throughout western Canada, then, his company will provide the necessary link between western investors and St. James Street. Parenthetically, it might be noted that this new departure in his company's activities will show a quick growth, for the name "Richardson" throughout the west is synonymous with fair play and honorable dealing.

Richardson is a young man, only forty, but before speaking of Richardson himself, it would be well to recall the antecedents of the firm of James A. Richardson and Sons, which was founded in 1867 by his grandfather in Kingston, Ontario. The original Richardson happened to buy some grain, purely by an accident, it might be said, but he turned it over at a profit. Such was the inception of the great grain exporting house, the first company in Canada to export this commodity to Liverpool. Later, the present James A. Richardson's uncle, the late Senator H. W. Richardson, and his father, the late George Richardson, were absorbed into the firm. In 1919, on the death of his uncle, Senator Richardson, he became the president of the company.

A Good Start in Life

In one sense, through his father's position, the way was made easy for "Jimmy." But, although he was a rich man's son, Richardson was and always has been, a worker. For many years he was regularly at his office by 8 o'clock every business morning—but the young man's energy must not be considered as entirely praiseworthy, for it is said that his father's training was responsible for turning him into what so many rich men's sons are not—workers. At any rate, that is how he learned the grain business, by hard work in the stern school of experience.

His Business Career

Young Richardson went to school in Kingston and later graduated from Queen's University. In the years 1907 to 1912, he was in charge of the Toronto office of what was then his uncle's firm. The following six years found him occupied as vice-president of James Richardson and Sons, in charge of the western branches, with his office at Winnipeg. In 1918, at the request of the buyer for the Allied Governments and the eastern Canadian flour mills, he became connected with the Allied Wheat Commission and took charge of wheat distribution to the 284 flour mills in eastern Canada. Very soon after he was made vice-president of the Wheat Export Company and thus became second in command of the purchases of grain products for the Allied Governments. This occurred shortly after the death of his uncle, the late Senator H. W. Richardson, who was then head of the firm.

Naturally, at this time he headed the Richardson Company, which had been extensively engaged in Montreal, Toronto, Winnipeg, New York, Chicago and many western points for many years.

Has Outside Activities

The man has a robust physique and is filled with a tireless energy, which has shown itself in many activities other than that of mere "money-grubbing." The latter is exemplified in his keen interest in everything connected with his Alma Mater; he sits on the board of governors of Queen's University and recently erected to the memory of his brother, who was killed in the war, a large athletic stadium, now known as the Richardson Stadium. He takes also, a keen interest in the activities of the Canadian Institute for the Blind.

The man has many pleasing attributes and, even at the expense of being likened to one of the "Babbit-business-career" stories, which appear with such disgusting frequency in United States periodicals, it is necessary to say here that his geniality and outstanding honesty are his two chief characteristics, which, however, do not eclipse his business capability and shrewdness; the latter may have been exemplified at the beginning of this article.

Saved Shareholders Money

Another story throws a more interesting light on Richardson. Some two or three years ago there was a little limited liability company in Ontario which appeared to be rapidly giving up the ghost, but with which his family had at one time had some connection. "Jim" Richardson called the shareholders together, offered them nothing for their stock but asked them to hand it over to him. They must have trusted him, for the shares were handed over and he acquired the company and, what is more, put it on its feet. So much so indeed, that he was able to give the shareholders a hundred cents on every dollar of what they had long considered an almost useless investment.

This story indicates his business capabilities and his ambition to have the Richardson name free from any stigma.

It is said that Richardson always has a pleasant word and a smile for everyone in his employ, from the office boy up—he may or may not have, it is quite immaterial. What is more important is that he has every man in his organization taking a real and personal interest in the business.

Some Business Interests

Richardson's business interests are, of course, many and varied. He is a member and past president of the Winnipeg Grain Exchange; he is a member also of the Calgary Grain Exchange, Toronto Board of Trade, Montreal Board of Trade, Chicago Board of Trade, New York Produce Exchange. He is a director of the Canadian Bank of Commerce and president of the Eastern Terminal Elevator Company. He is president of the Pioneer Grain Company and vice-president of the Guardian Realty Company of Canada. These are but a few of his interests. Richardson always avoids the limelight and shuns publicity of any type—which, if the reader will read between the lines, will explain why this article is being written in Montreal and not in Winnipeg. On many committees of various sorts, formed to deal with problems, sometimes of a social nature, sometimes of a political nature, sometimes of a business nature, Richardson is always amongst those who do the real work and those who are seldom seen in the front page photographs, which shows the Prince of Wales or the Governor-General shaking hands with, and congratulating the president of this or that society for his capable work.

Made in Canada Men

In one special connection, Richardson is giving a lead to many Canadians—that is, his out and out Canadianism. He does not only believe in buying "Made in Canada" goods, but he believes in using "Made in Canada" men. If he wants a doctor, a financial man, or a manual laborer, Richardson deals with a Canadian. Here is an instance of this. Some time ago, one of his companies required some skilled operators of a type that were not to be found in Canada. He went to the States, got some of the men he wanted and brought them over to work in his Canadian plant. These men did the work which was required of them and, what is more, he made sure that they trained his own Canadian workmen in the special job required of them.

An Outstanding Brother

No mention of Jim Richardson would be complete without a word on his brother, the late George T. Richardson who was killed in France, and who in the minds of many will be associated with the late Percy Molson, of Montreal. Both men were outstanding athletes, and the former was one of the finest this country ever produced. He played both football and hockey for his university—but what is more he played his games in a way that they are not often played to-day—examples of his truly sporting instincts are still remembered. Incidentally those who fought with him say that he was one of the best soldiers that ever went to France.

Naturally George Richardson's athletic achievements somewhat overshadowed those of his elder brother, whose bent was more towards such activities as shooting, sailing and boating; nevertheless, Jim Richardson also played good hockey; some will still recall his performances with the old St. George's team in Toronto.

Both brothers, one a year older than the other, grew up and were educated in Kingston together; no one ever thought of one without the other. As a youngster, Jim Richardson was always known as the "Skipper," probably due to his love of sailing.

Like many other well off men, Richardson supports a farm. This is situated just outside Winnipeg. A visitor, seeing his farm buildings, asked who owned it.

"Jim Richardson," came the reply.

"What does he do?" asked the visitor from further west.

"Oh, he's on the Winnipeg Grain Exchange."

Much surprised out came the answer, "How in the world does he do it on a ¼c. a bushel?"

Gives "Service" in Return

However, environment means everything — or practically everything—in life. If James A. Richardson has been successful, if he has not buried his talents and if he is meeting with that inward success of which the world knows nothing, and which is the true measure of a life, it is due singly and solely to his upbringing.

Both the Richardson boys as youngsters had everything and nothing. Nothing in the way of a soft life; never driven to school in a car; never given an over supply of pocket money, and never felt the softening influences which often fall to the lot of wealthy kids.

In other ways they had everything; everything which would lead them to the outdoor life; everything which would tend to build up character, a sound education and in general everything which tended to make real men. The best index then which may be obtained of Jim Richardson is that he is giving his best efforts to the country in return for "value received."

New President of the Steel Co.

Ross H. McMaster has been elected president of the Steel Company of Canada. It is interesting to recall that seventeen years ago his father, William McMaster, retired as head of the Montreal Rolling Mills, when that company and the Hamilton Steel Works were merged under the name of the Steel Company of Canada.

Young McMaster then has been fortunate in the excellent training for business which he received — and probably still receives — from his father, who still maintains his wide business connection. But the son, although he has not reached the important position in industrial life which is occupied by his father, has outstanding achievements to his credit, not the least of which was his election to the board of the Canadian Pacific Railway at the age of 44. This occurred just over a year ago.

After leaving school, Ross McMaster obtained a job, not much of a job, with the Sherwin-Williams Company in Montreal. However, his job improved, or it is more correct to say he improved the job, and by the time he was thirty, people in Montreal had learnt of his appointment as assistant to the president of the company in Cleveland and had also recognized that he was of the stuff which would eventually make a niche, and a good sized niche, for himself. Finally in 1903 he was brought back to Montreal as vice-president and general manager of the Montreal Rolling Mills.

Became Montreal Manager

With the consolidation of that company into the Steel Company of Canada, he became manager at Montreal. In 1916 be became assistant general manager and three years later was appointed vice-president. His present appointment to the presidency was a foregone conclusion due to his knowledge of the steel industry and to his wide business connections.

Amongst his directorates he numbers the C. P. R., the Northern Electric Company, the Canadian Explosives Company and the Consolidated Rubber Company.

Ross McMaster was born in Montreal in 1880. His recreations include tennis, golf and riding, although of late he has had little time for the latter. His more serious activities, outside of business, include a close study of the trend and results of business and price movements; naturally he is a keen reader of anything on economics. This has naturally tended to quicken the native business acumen and perspicacity which to-day make him one of the leading younger executives in the Dominion.

Current Opinion

FREE THOUGHT IN EDUCATION

Quebec Chronicle-Telegraph. — Each national temperament and mentality has its own needs, and the English and French have always employed different educational systems which each presumably has found most useful to itself. Here, in Canada, the only right policy is to give each nationally as much educational freedom as possible. But there is nothing to be gained by mutual criticism or invidious comparisons.

OUR TAX BURDENS

Kingston Standard: We would point out that in the last year for which complete statistics are available, it is shown that federal, provincial and municipal governments in Canada collected $627,902,769 in taxation. This is almost one-fourth of the total net production for the year—agricultural and industrial. Twice the value of the whole wheat crop for 1923 was paid to these governments in taxation. Since the war-time taxes were imposed the ratio of taxation to national income has remained stationary in Canada.

CANADA'S KEY INDUSTRY

Quebec Soleil.—The United States lack water power. They have coal, but it is very costly to produce electricity by steam. In the last twelve years American coal has trebled its price, and incessant difficulties which arise between operators and workers in the mines are not such as to encourage the promoters of big industries. They accordingly have cast their eyes on our watercourses. They would doubtless prefer to transport their electricity in a fluid state over the Canadian boundary, but in face of the embargo declared by our leaders, what are they going to do? They will have to come to us. The day is not far distant when many factories, financed by Americans, will produce on our soil a large variety of different products.

DOMINION TAX REDUCTION POSSIBLE

Ottawa Journal.—Figures issued by the Finance Department show that Dominion revenue for the fiscal year 1925-26 will exceed that of 1924-25 by over 30 million dollars. Unfortunately, expenditure has not been decreased; but, in any event, the excess of revenue over ordinary outlay should make for a reduction in taxation. No reason exists, in view of the present showing, why the government should not lop off a considerable amount from the income tax, or, at least, remove nuisance taxes altogether.

The tax on cheques and receipts is of little value. It brings no substantial amount in revenue, while, on the other hand, it is one of those aggravating levies which involve no end of inconvenience, which are easily and too frequently evaded, and which, as a consequence, involve law-breaking and unfairness.

Experience prohibits hope of much of sensible action by this government. Already, indeed, it has committed itself to so many unnecessary capital expenditures, apart from its failure to reduce ordinary expenses, that we shall not be surprised if it decides against any taxation reductions. Yet the fact remains that, having regard to the increase in the revenue, there is no good reason why the country should not have the benefit this year of considerable relief from annoying as well as burdensome taxes.

EACH FOR HIMSELF

Sydney Record:—In providing in the estimates for large expenditures on public works in Cape Breton during the coming fiscal year the King government is not doing more than it ought to do, but it is ensuring this part of the country fairer treatment than has sometimes been given it. In the period between the close of the war and the 1921 election, for instance, Cape Breton's interests and public works needs were virtually ignored by the Federal government. Nor, it may be noted, has a single one of the four Conservative members who now represent this island in the Commons had a word to say so far this session in presentation of Cape Breton's claims to improved public facilities. They have been too busily engaged trying to help Mr. Meighen play his little games to bother their heads about Cape Breton. Fortunately, some other politicians, who were left at home by the electors last autumn, have not been as inactive. Their representations very largely account for the presence of so many Cape Breton votes in the estimates.

FOR WESTERN UNITY

Regina Leader: Interest will attach to the activities of the Western Canada Development and Unity League, which has been launched at a conference at Vancouver. Two Saskatchewan mayors, J. A. Gregory, of North Battleford, and Howard McLaren, of Biggar, have places on the executive.

Any organization aimed at securing development and unity in the West will be wished well. There is already a fair measure of unity in the West, but there is room for much more development. It will be hoped that there will not be a clash of interests in the new organization. It is possible that the Hudson Bay Railway question may result in some friction. Alberta and British Columbia admittedly are not enthusiasts for the load, as are Saskatchewan and Manitoba. There is also the possibility of a conflict of views on the subject of freight rates, and perhaps on other questions.

But it is to be noted that the organization hopes to achieve unity as well as development, and Western unity may be strengthened by the exchange of views that will be made possible by the league. It may be found possible to harmonize conflicting views and ultimately present something of a united front on many important questions.

AUSTRALIA'S GREATEST MARKET

Vancouver Sun: With proper co-operation and a decent fund of up-to-the-minute information, Australia can find in Canada the greatest market for her goods on the face of the earth.

At present Australia sells in Canada only one-sixteenth of what she buys from Canada. And the reason is that the sister Commonwealth has never gone out in a workmanlike way to develop this market, dwarfed, as it is, by the adjacent population of United States.

But of the two markets, Canada, with her 9,000,000 people prepared to offer a steady preference to Australian goods, is infinitely preferable to United States, even with her larger population, bound by her own traditional policies to offer no preference and whose high tariffs are continually subject to the winds of world expediency.

What is wanted between Australia, New Zealand and Canada is a thorough and intelligent survey of the productive and consumptive situation.

In 1924, Canada's trade agreement with New Zealand increased her trade with New Zealand $10 per person.

Comprehensive trade agreements, based on an exhaustive survey of buying, selling and productive conditions, would be worth billions of dollars to the three sister Dominions.

6.10%

from a High Grade Public Utility First Mortgage Bond

We have a small block of First Mortgage Bonds of one of the soundest Public Utility Corporations in Canada. They may be had to yield the very desirable return of 6.10%.

If you are interested phone or write for particulars. Elgin 3481.

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April Investments

April is one of the most important months of the whole year from the standpoint of dividend and interest distributions. It is conservatively estimated that the disbursements in April, 1926, will amount to approximately $45,000,000.

As a large portion of these funds, together with other available funds, will be seeking investment, selections should be made as early as possible.

To those having funds our April List will be of interest. This list contains a wide selection of securities including issues of the Dominion, the Provinces, a large number of cities, towns and industrial corporations, and also includes an attractive odd amount list.

Copy of April List on request.

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Investment Securities

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Premier Fire

Enquirer, Woodstock.—This company issued preferred and common shares of $10 par value in 1920, and in 1924, they evidently had a re-issue, when they issued one share of preferred, of $5 par value for every share of old $10 par value held, and one share of common, $5 par value, for every two shares of the old $10 common.

In regard to Premier Tire and Rubber Co., on two or three occasions we have addressed letters to the heads of the company at their plant at Beamsville, and have not been favored with a reply. The proposition never looked like a strong one to us.

Famous Players Bonds

The 6½% First & General Mortgage Bonds of Famous Players Canadian Corporation are secured by specific mortgage on seven of the company's largest theatres, centrally located in important cities and valued at more than 3½ times the amount of bonds. They are also a floating charge on all other assets of the company.

For the past four years, earnings after depreciation have averaged over 5 times the present bond interest requirement.

We recommend these bonds as a sound investment at 101 and accrued interest, to yield 6.40%.

Write for descriptive circular.

Royal Securities
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164 St. James Street
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Toronto Halifax Saint John Quebec
Winnipeg Vancouver New York

Canada Mausoleums

G. E. D., St. Thomas, Ont.—Will you kindly advise me as to the value of the stock of Canada Mausoleums, Ltd. Head office, I believe, Federal Bldg., Toronto. Would you advise taking same as security on a cash loan?

Without going into the merits behind the stock of Canada Mausoleums Limited, of Toronto, we would advise you against accepting such stock for a cash loan. The reason for this is that the stock lacks marketability, and if you were forced at some time to realize quickly on the security which you hold, we think you would experience difficulty in doing so.

Steel of Canada

W. W. T., Carleton Place.—Will you please advise me re the following: I hold 100 shares Steel of Canada, common, at 49; 50 shares Steel of Canada common at 77. Would you advise me to take my profits now and re-invest in other securities as bonds at six and 6½?

Steel of Canada is a very good security giving a good yield. We should judge that the point for you to decide, in view of the large profits you have in steel, is whether you want to consolidate these profits and put them into a more conservative investment. If you decided on such a change now would seem to be the acceptable time to make the move.

Silverwoods, Ltd.

G. A. S., Delhi, Ont.—I would be glad to have your opinion on the stock of the Silverwood Co. of London. The parent company stock, or the new Windsor stock they are offering.

While the dividends on the Silverwood preferred stock are not being paid at the present time, we understand that earnings of late have been such as to indicate that the dividend has been very substantially earned and that the company will shortly be in the position to resume preferred dividends and clean up the arrears. The Windsor Company, while not quite a year old yet, has had very excellent earnings and there are indications that dividends on that stock are already in sight.

Of course, in buying a stock like that you have to face the proposition of what we term "marketability." This means that if you are holding stock and get in a position where you must quickly realize on assets, you might have difficulty in finding a ready market, inasmuch as it is not listed. If your financial position is such that you can make provision for untoward situations, why the stock will give you a very good yield.

Alberta Petroleum

G. M., Donavon, Sask.—Can you give me any information with regard to Alta. Petroleum Consolidated Oil shares, original issue 1915. President, E. A. Cunningham. Have these shares any value at the present time and where is their office located?

I think you will find the shares of Alberta Petroleum Consolidated Oil have some value at the present time. The secretary of Calgary Oil Exchange will give you the market.

Loew's Buffalo

W. H. L., Woodstock, Ont. — Would like your opinion and any information on Loew's Buffalo Theatre, Inc. Common stock, par value $10. I understand this has not paid dividends for some years.

Leow's Buffalo Theatre has never paid dividends on its common stock. At the end of the last report available, covering the year 1925, the company showed a surplus of $114,679 after taking care of all charges, including preferred dividends. The company has had a hard uphill battle, but seems to be slowly improving its position.

Detroit United

G. R., Montreal.—Do you think that now is the time to average down my holdings of Detroit United Railways?

We have no information to hand which would lead to the belief that the Detroit United Railways is about to make a "come-back." There would seem to be no chance of the company being taken out of receivership until such time as it has earned and paid up its arrears on its bonds. Reports are that there is a slight improvement in earnings, but the stock looks unattractive as an investment.

Asbestos Corporation

W. F. S., Quebec.—Do you consider the common shares of the Asbestos Corporation buys at present market prices?

The new common stock of the Asbestos Corporation is speculative. You could not reasonably anticipate any immediate increased market valuation for this stock. However, the idea underlying the merger of practically all the asbestos companies in the Province of Quebec is decidedly sound. Operating costs will not only be reduced, but, in addition, the new company will be able to increase its prices—in fact, has already done so. Therefore, this would lead us to believe that, if you have funds available for speculation, a purchase of the Asbestos common stock might possibly bring you considerable profit within the next year or two.

Kelvinator

Quebec.—Do you consider Kelvinator common an attractive speculation?

The Canadian Kelvinator Company was recently organized and has purchased a plant in London, Ontario, which will acquire all the Canadian business of the parent company in Canada. It also has the exclusive right to manufacture and market both the Kelvinator and Nizer products in Canada and throughout the Empire.

It is estimated that the Canadian company will earn in its first year of operation $400,000. If this be so, after payment of preferred dividend requirements, there would remain applicable to the 100,000 common shares outstanding some $340,000. The preferred and common shares in the company were offered the public under excellent auspices, and we believe that the common stock would be a good speculation as a hold.

Satisfactory reports are being received as to the company's business, orders booked so far this year being in larger volume than for the whole of 1925.

Dixie Meadows Mining

B., Montreal, Que.—Will you please give me some information on Dixie Meadows Mining Co., incorporated in Maine, 1910?

Our 1924 and 1925 mining records fail to show anywhere in the United States or Canada, such a mining company in existence as the Dixie Meadows Mining Co.

Virtue Consolidated Mines

J. A. B., Montreal, Que. — Will you please let me know what the Virtue Consolidated Mines shares are worth?

The records of mining companies in Oregon fail to show any such company as Virtue Consolidated Mines, but there is a company, the Virtue Mines Development, of Baker, Oregon, president, J. K. Romig. If you dropped a line to these people they might be able to tell you the state of your company.

Payne Mines

Enquirer, Montreal.—Will you please give me your opinion on Payne Mines, Ltd., incorporated 1887, in B. C.

Payne Mines Limited has property in the Slotean division, British Columbia. The agent of the company is Oscar V. White, Sandon, B. C., The company has had a production of a gross value of $5,000,000. Of recent years this proposition has been operated by the Pacific Mines Development Co., under lease.

Monte Christo Mining

Montreal Enquirer. — Kindly let me know what the shares of Monte Christo Consolidated Mining and Development Co. are worth.

The records of British Columbia to date fail to show any records that I can find of the Monte Christo Consolidated Mining and Development Co. You had better write the Department of Mines, at Victoria, B. C.

Alberta Coal Facts

The Editor, The Financial Post:

Sir.—Apparently there is considerable discussion and somewhat unfavorable criticism of Alberta coal and the operation of coal mines in Alberta. Comparisons of the costs and selling prices with American coals have been made. I refer particularly to your article in your issue of February 8, last. I also note that Tom Moore on Saturday in supporting the motion of T. L. Church in the Federal House stated that, "Although the Canadian National Railways experimented with the transportation of Alberta coal to Ontario by granting a reduced rate of $7 per ton, the mine owners and distributors have shown no signs of relinquishing any of her profits."

It is only fair to the coal operators in Alberta to say that given the conditions existing in the United States they could equal the costs obtained by the coal mines in the United States. In Western Canada the demand is for lump coal with very little demand for the smaller coals, which means that a difference of $2 to $3 per ton exists between the prices of lump coal and some of the small coal sizes used in the United States. As an example, Pennsylvania anthracite in the egg, stove, and nut sizes sells at practically the same price, the smaller sizes sometimes running a little higher than the larger sizes; whereas, Alberta domestic coals between each of these sizes will have approximately 25 per cent. difference in price. If the selling prices of Alberta coals were reduced to a mine run basis they would be very little above the American prices. For instance, the screened lump coal price of $4.40 per ton mentioned by Mr. Thomson would represent a mine run selling price of around $2.25 per ton.

In regard to the statement by Tom Moore that "the Alberta mine owners and distributors have shown no signs of relinquishing any of their profits," it would be well to point out that the larger percentage of the shipments to Ontario went forward at a price 10 per cent. below the selling price in Western Canada. This 10 per cent. represents more than the profit made by the average coal mining company in Alberta. In every trade there are those who are ready to take advantage of opportunities, but the majority of the coal operators in Alberta are sound business men and resent some of the statements that are being made.

Allow me to suggest that before making any statements regarding Alberta coal, the actual facts be ascertained and the wonderful West of the Dominion of Canada be given at least a fair opportunity to co-operate in the development of the Dominion as a whole.

Yours truly,
F. C. BOYD,
Secy.-treas.
North American Collieries, Ltd.
Calgary, March 8.

The Burden of Paternalism

C. H. CAHAN in House of Commons Debate.

I believe the whole of the eastern provinces are desirous of going a very long way in order to assist in the development of the western provinces, but there must be a limit to the liabilities which the whole country will undertake in the next few years in that respect. We have this liability, and if it is not inopportune to say so, we have the liability coming in connection with rural credits, which is a somewhat similar application of public funds. Then we have the pension proposal, which I understand will require about twenty to twenty-five million dollars a year, if it is to be carried out according to the terms proposed in the resolution. Then we have the liability to which I called attention the other day in connection with the West Indies, which may amount, if we carry out that engagement, to a capital outlay of some nine or ten million dollars, and an outlay to make up the deficiency in earnings running anywhere from $300,000 or $400,000 to $1,000,000 a year, depending on the extent to which the scheme is carried out.

We are in a very critical position in this country at the present time. Hon. gentlemen do not seem to realize the burden of debt and the burden of taxation which we are now carrying, and which, if you take your municipal, your provincial, and your federal taxation, all of which we have to bear, amounts to nearly one-quarter of the productive energies of this country. Further, while the east is prepared to make large concessions to the west, if you impose too large burdens upon the east, it must break; it cannot carry the burden that it is carrying. Since confederation was established in 1867 the east has willingly carried that burden, and it is carrying it today. In proportion to the wealth of those western provinces, Manitoba, Alberta and Saskatchewan, the individual wealth of the eastern provinces is far less, and the eastern provinces are far less able to carry the burden than the west. The west is more prosperous to-day that any other part of this country, and I am thankful for it; but if you burden the east without giving, as I think, proper encouragement to the establishment of remunerative industry in the east, this country will break so far as the east is concerned; it will be impossible to carry the burden of debt and taxation which has been already rolled up. Without saying one word of disparagement of the west, the great burden of our taxation comes upon the eastern provinces, and they are carrying as heavy a burden as it is possible for them to carry under the present industrial conditions.

POST-Scripts

ONE successful salesman of high-grade bonds who has sold millions of such securities in the last five years utilizes his own experience in helping to increase his sales. His father died some eight years ago and left the family with a lot of absolutely worthless oil and mining shares which cost $65,000. The young man made up his mind that he would profit by this experience and make others do likewise, so he carries the bundle of worthless securities in his brief case and when he solicts a new client he points to what happened to him and shows the valueless stock as an example and recommends the purchase of the really first class bonds he offers. This little object lesson has put over thousands of sales.

AMONG the new mammy and blues songs from Dixie that can be tried on the country's pianos this spring is one brought from Florida by a Wall Street man who happened to call on a Florida banking friend just before March 15 when income tax payments were being made and some of the new land-owners were finding their pocketbooks less abundant than their real estate enthusiasm.

"Did you notice those fellows sitting in the outside office?" the northerner was asked.

He replied that he did.

"Well, at ten o'clock my morning musical will begin in this office and the first number will be 'Those Second Payment Blues'."

QUEBEC axemen are probably the best in the world. No doubt in former generations they have had to be. An illustration of this is seen in the story of an English engineer who was working with a survey party in Northern Quebec. In taking notes, the Englishman broke the lead in his pencil. No knife was available, and one of the chain-men said: "Hand the pencil to the axeman."

"Good heavens," replied the Englishman, "I know one has to rough it in the beastly colonies, but I never knew that it was so wild one sharpened pencils with an axe."

He was dumbfounded with astonishment, when the ex-lumberman set to work on the pencil with his axe and put a point on it far better than any automatic machine could do.

E. F. ELY, Toronto clothier, is now boasting of his prowess as a golfer, since he won eight prizes—all that were offered—in a golf competition in the south.

A number of Toronto and Hamilton business men were stopping at Pinehurst and decided to get up a golf tournament. Some of them donated prizes, such as suits of clothes, a silver flask, something to put in it, cigarettes, etc. There were eight prizes. The course they played over had a decided slant to the port on practically every fairway, due to the manner in which the green committee had taken advantage of the natural topography of the land. In fact, the course was more like a huge bowl than anything else. This had a great deal to do with the result for Mr. Ely had a decided slice on his ball that he has not been able yet to control. Each ball, as he drove it off, veered around to the right, only to be deflected by the continuous succession of favorable hills into the middle of the fairway, the slice adding distance to his drives. Armed with a handicap of six, Mr. Ely was able to trim the whole crew of fellow golfers and walked off with all eight prizes—or at least the story goes that way—of which he generously retained only three.

What Commission Pays to Illuminate Niagara Falls

The matter of the cost of illuminating Niagara Falls came up in the Ontario legislature on Friday when the minister of Public Works and Highways replied to the question "What does the province pay towards the illumination of Niagara Falls?"

The reply was that the parks commission had contributed $13,245 to the capital cost while the commission's share of maintenance for 1925 was $2,505. As to the basis of the arrangement the minister said:

"As part of the government's general publicity campaign for Ontario, an agreement was entered into between the cities of Niagara Falls, New York; Niagara Falls, Ontario, and the park commission to illuminate the Falls, the cost being borne by the parties in the proportion of 8/12ths by Niagara Falls, New York; 1/12th by Niagara Falls, Ontario, and 3/12ths by the park commission."

Effect on Securities

With business on the up-grade in Canada, will increasing demands for money result in any pronounced change in the market for bonds and stocks?

A careful review of the situation will be found in the new issue of Greenshields Review. A copy will be mailed on request.

Write Dept. 4

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An Attractive 6% Investment

Following are three interesting facts regarding St. Maurice Valley Corporation:

It is the third largest newsprint manufacturer in Canada, having an annual capacity of 195,000 tons.

Earnings for several years have averaged over four times bond interest.

Recent earnings have been at the rate of $3,260,496, equal to over six times bond interest.

St. Maurice Valley Corporation 6% bonds, due 1945, offer a favorable investment opportunity at

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THE volume of assets under the care of this Corporation has grown during the past fifteen years as follows:

1910 - - - $41,601,297
1915 - - - $71,869,470
1920 - - $113,762,324
1925 - $152,791,520

These figures are evidence of the growing confidence of the public in this Corporation, and that its services as Executor, Trustee, Administrator, Financial Agent, &c., are being appreciated by an ever-widening circle of satisfied clients.

The
TORONTO GENERAL TRUSTS
CORPORATION
Established 1882

W. G. WATSON
General Manager.

H. M. FORBES
Asst. General Manager.

Toronto Ottawa Winnipeg Saskatoon Vancouver

No. 6 of a Series

The Physician

To have your confidence, the physiciar must be a man of character and highly skilled in his profession.

You should also look for the same two qualities in those whose advice you seek regarding investments.

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Limited

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INTERESTING ISSUES

Shawinigan Power Bonds Offer Yield of 5.55 Per Cent.

One of the industrial bond issues in which considerable interest is being shown is the issue of first refunding mortgage bonds of the Shawinigan Water and Power Company, especially series "B" and "C." At the current price of about 106 and interest, the bonds yield 5.55 per cent. allowing for redemption and 5.66 per cent. with out redemption. Both series are 6 per cent. bonds.

The Shawinigan Water and Power Company has made rapid progress during recent years especially through the acquisition of other companies and additional plants. These have combined to produce a record gross revenue for the year of $6,702,034, which is an increase of almost $1,000,000 over the 1924 figure. Net operating revenue was almost $400,000 ahead of last year. The working capital position of the company was materially bettered also during the year. The balance recently presented to the shareholders shows greatly increased assets in power development, real estate, transmission lines, as well as accounts receivable and cash.

Some attractive new contracts for power have been made recently. The company has made a contract for 23,000 h.p. to be used by the Belgo mill at Shawinigan, and one for 10,000 h.p. with the Aluminum Company at Shawinigan Falls in addition to a large increase in their hydraulic power. A new contract for power has been made with the Montreal Light, Heat and Power Consolidated calling for the delivery of a large additional amount of power over the next few years. This necessitated the new terminal station in Montreal. A large program of other construction work, especially on transmission lines and distributing facilities, has been carried out during the past year.

One source of Shawinigan's strength is customer ownership. Last summer a drive was put on in the area between Montreal and Quebec, for the acquisition of new customers by selling them the common stock of the company. The cost to the customer was considerably below the market price, and none was sold to those who were already customers. A limit was placed on the number which any one customer was able to purchase. The drive more than trebled its objective of 1,000 new shareholders for the company. Approximately 12,000 shares were sold representing a value of $1,600,000.

Shawinigan is a wholesaler and retailer of power. Power is wholesaled to 20 towns and through its subsidiaries it retails power and light to 127 municipalities.

The bonds of series "B" and "C" were issued in 1921 and mature in 1950.

WILLIAMS, PARTRIDGE & HODGSON LIMITED
Investment Bankers
171 St. James St. MONTREAL

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New 4½% Bonds
Due February 1st, 1946
PRICE: 97 and interest,
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and
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INVESTIGATE BEFORE GERMAN BOND BUY

German Loan Official in New York Warns Investors Against Sharp Practices

Relative to the wholesale distribution of German bonds and other securities throughout Canada and the United States the special commissioner for German government loans in New York is reported by the Better Business Bureau of New York to have said:

"Certain brokerage firms are offering several kinds of German paper-mark bonds to the investing public. The circulars of these firms, containing more or less open and direct misrepresentations of the value of the bonds offered, are meant to give the public the absolutely wrong impression that they have a fair chance, if not the certainty of huge profits.

"For that purpose the brokerage firms issuing these circulars use the trick to publish excerpts from speeches and other utterances of known public and business men, recommending investments in German bonds. It is, however, omitted that these speeches apply to the new German bonds issued after the stabilization of the mark either in the new German currency or in the currency of the United States. A further means of making the public misunderstand the true value of the inflation-bonds of German cities is to picture the wealth and commercial activities of a city or its inhabitants as guaranteeing those bonds, while, of course, all this has nothing to do with the case, the revaluation of these inflation-bonds proceeding on legally drawn lines which are well known. It is particularly to be regretted that utterances promoting the investment in such new bonds in stable gold currency should be made use of for boosting a type of bond they were never meant for.

"The value of those—either pre- or post-war-paper-mark bonds—is to be calculated only on the basis of the revaluation provided for in the German laws of July 16, 1925. Now, as to city and mortgage bank bonds, these laws prescribe that the percentage of revaluation is to be figured on the face value of the bonds only in so far as these bonds have been issued before January 1, 1919. Concerning all later issues, the percentage is to be figured on the actual gold value, which, of course, is a very different matter, considering that at the end of the inflation period in November, 1923, not less than a trillion paper marks represented the equivalent of one single gold mark.

"Now, those circulars make the public believe that all those bonds, irrespective at what time they were issued, are going to be revalued at a percentage of the face value.

"Therefore, all the big paper-mark amounts printed on the bonds offered must be reduced to the actual gold value of the paper-mark at the official date on which the community or corporation issuing the bonds received the money for them."

News of the Investment Market

SMALL VOLUME OF NEW BOND ISSUES DURING MARCH

Refusal of Tenders on Toronto Bonds Due to Past Experience

Holiday quietness rules in the bond market this week, no new issues of magnitude having come forward, although there is demand for issues of a high grade owing to the large surplus of available funds. Bond prices have remained firm despite the weakening tendency of last week in some of the Dominion issues. March is normally a slack month in regard to new issues. The total last year dropped off to $19,000,000 and to $16,000,-March of this year will probably not 000 the year before. The total for exceed $14,000,000.

The failure last week of the City of Toronto and the houses tendering for its $5,000,000 issue to come to terms on the price of the money occasioned some surprise. Finance Commissioner Ross was disappointed in the tenders made, and there was undoubtedly some surprise on the part of the bond houses tendering, that the two views of the situation did not coincide more closely especially at a time when there is so large a surplus of funds. During the past three or four years there has been very keen competition for the city of Toronto bonds, with the result that the city has been able to obtain its money on quite favorable terms.

While these bonds were of the highest standing, competitive bidding brought them to a price which caused some little resistance on the part of the buying public. In a number of instances the investment bankers have felt that perhaps undue effort was put on the marketing of these issues in relation to what was being realized from them. Furthermore, the city has made a number of costly improvements in the last five years from some of which immediate returns are not in evidence. This tends to create a critical attitude on the part of some large investors who formerly made a practice of holding large blocks of city of Toronto bonds. These factors may have influenced the prices tendered by the interested houses.

Business and industry in the United States continue to yield an ever increasing fund of capital for which attractive investment has to be found. The present surplus is piling up on an enormous scale, and its owners and trustees are turning more and more to Canada as the natural outlet. Large profits have been made from South America and elsewhere, but their is a natural tendency for capital to seek investment within a reasonable distance and in a field that is known. Canadian laws and institutions are similar to those of the United States and every well informed American knows that there is no more stable country in the world than Canada. It is the opinion of those in touch with the situation that these factors will come into play more and more, and that an increasing portion of America's fabulous surplus will turn northward. There is already greater interest shown on the part of the leading United States investment houses in Canadian natural resources and possibilities. A current example of this is the remarkable degree of interest taken by New York and other large United States cities in the Red Lake gold area. This is merely an example of what is expected to develop in regard to our other mineral resources, hydro electric possibilities and so on. There seems little possibility of Canada ever suffering from a scarcity of capital.

National Cash Showing Better Than Anticipated

A very satisfactory position is reflected by the annual statement of the National Cash Register Co. After the deduction of all expenses, employees' profit sharing, depreciation and taxes, net earnings for 1925 were $6,070,820. This is materially in excess of the estimate shown when a public offering of securities was made recently. Earnings were then estimated at $5,942,304. but were actually $128,517 greater. Earnings before deduction of the employees' profit sharing participation were estimated at $7,807,596, but amounted actually to $8,164,869.

During the past year additions amounting to $882,064 were made to the property account, and depreciation of $1,139,788 was written off. By putting in the foreign properties at book net tangible figures, assets of the company have been increased over the balance sheet estimate used in the circular, by $4,545,609 which is equivalent to about $3 per share of the total outstanding stock. Total net worth thus increased over the circular estimate by $5,126,787, and the current ratio was increased from 5.7 to 1 as shown in the balance sheet, to 6.75 to 1.

CANADIAN MANHASSET BONDS

Public notice has appeared that the Canadian Manhasset Cotton Company, Limited, will redeem the whole of its 8 per cent. first mortgage bond issue on July 1 at 105 and accrued interest.

MORE PRODUCTION

MONTREAL.—The International Paper Company has started the second of the four new newsprint machines at its Three Rivers mill, making it the largest in the St. Maurice valley.

The mill now has six machines, with a total aggregate capacity of 500 tons of newsprint.

"Irish Republic" Bonds Three Years Overdue

The once enthusiastic investors in bonds of the "Irish Republic" are now enthusiastically supporting a movement to induce the United States government to intervene with the Irish Free State with regard to the redemption of the bonds, now three years overdue. The bonds were "payable when the last British soldier leaves Irish soil."

The amount involved is $6,500,000 of which there is $2,500,000 in cash in New York banks, and a balance in Irish banks. The Irish Free State has brought action in the courts to recover the $2,500,000 on the ground that they are legal successors to the "Irish Republic." It is stated that 100,000 United States citizens hold these bonds, and a delegation representing the bondholders have approached Secretary of State Kellogg in the matter. The loan, it will be recalled, was floated at the instigation of Eamonn de Valera, self styled "President of the Irish Republic."

SECOND MORTGAGE BONDS USED TO PAY CONTRACTORS

15% of Contract Price Often Paid in Junior Securities

The payment of contractors, architects and building supply houses with junior securities rather than wholly with cash for their services in building and engineering enterprises, is a custom which has become very prevalent in Canada of late. It has been practised in the United States for many years. Slack business and the desire on the part of these contractors to secure new undertakings when such are none too plentiful lead to the willingness of contractors to accept part of their payment in this manner.

For the most part the junior securities take the form of second or general mortgages. Preferred stock is sometimes used for the purpose as well. When the contractor accepts this type of part payment he is usually fully cognizant of the fact that he is not receiving a readily marketable security. He is assured of his interest payments in the interval, however, and is reasonably sure of receiving a satisfactory price for his bonds ultimately. This does not infer that it is impossible to market his securities. Some of the second mortgage bonds on one of the large Toronto buildings have recently changed hands. There is nothing to prevent the contractor from selling these privately if he is able to get a buyer who will pay him a reasonable price for them. Although it is impossible to find to what extent such securities are resold, it is very probable that there is considerable hand-to-hand trading in them, and sometimes actual public offerings by investment houses.

Passed on to Sub-contractors

If the contractor is uncertain about taking part of his pay in this form, it is probable that he will be able to "pass the buck" to the subcontractors or even to dealers in hardware and similar supplies. There have been a number of cases in connection with the office and apartment buildings recently erected in Montreal and Toronto in which this has been done. In fact, the case in which it is not done is exceptional. With houses like the Ellis Park Apartments, in Toronto, where there was a second mortgage issue in addition to the first mortgage bonds which were sold publicly, it is the common practice for the contractor to receive anywhere from 5 to 25 per cent. of his contract price in these second mortgage bonds. Perhaps 15 per cent. is an average.

In the case of the architect, remuneration is a percentage of the cost of the building. On a half million dollar building the architect will receive say 6 per cent., or $30,000. This is a fairly large amount, and it is natural, especially in slack periods, that the architect is willing to accept a part of his payment in second mortgage bonds, especially as he may pass a portion of them along to those helping him in the enterprise. In some cases the firm of architects, as in the case of the contractors, keep the securities as an investment.

Supply Houses Accept Them

As already indicated, the second mortgage bonds may take a further step, this time into the hands of the firms which supply equipment or building supplies of various kinds. In a number of the Toronto buildings recently erected, the heating and plumbing systems have been partially paid for with bonds. A leading brick manufacturer is receiving payment in this way for a building that is being erected at present, and this has been done in a number of cases. As high as 15 per cent. of the value of the brick required for a particular job has been received in junior securities. At the present time excavations being made for one of the new apartments on a cubic foot basis are being paid for to the extent of more than 10 per cent. in this way. The suggestion has been made that contracting firms such as these may possibly increase their tender in order to guard against any possible loss on the bonds. This practice would, of course, be restricted in a competitive market.

Satisfactory to All

That the arrangement is satisfactory to all concerned is evident from the willingness to take the bonds as part payment. A contractor counts on making certain profit out of his contract which he would lose were he unwilling to accept this form of payment. Generally speaking, the arrangement is a very satisfactory one from the standpoint of the owner of the building. In the case of one of the Toronto buildings, some inconvenience arose over the fact that the bonds amortize rather too quickly. This, of course, should have been foreseen. The arrangement gives the bonds a very wide distribution, which is desirable. Whether or not there is anything permanent about this method of financing remains to be seen. At the moment it seems to have arisen from a depressed state of business. As one of the issues have yet come to maturity it is too early to reach any conclusions with regard to that angle of the situation. All that can be said is that the arrangement is a very satisfactory one at the moment, and is stimulating building.

Fanny Farmer Issue to be Sold Shortly

An issue of 30,000 shares of preference stock of the Fanny Farmer Candy Shops Inc., has been purchased by a group of New York investment bankers headed by Shields & Co., which operated a chain of retail candy shops in ten leading United States cities and surrounding territory. A public offering of this stock will be made shortly.

The business of the Fanny Farmer Co. was established at Rochester in 1919 by Frank P. O'Connor and is now operating some 80 shops. It has shown rapid expansion and sales in 1925 amounted to more than $2,600,000 which is an increase of 456 per cent. over the 1921 record and 38 per cent. over 1924 figures.

It is stated that dividends will be paid on the preference stock at tne rate of $2.40 per share, payable quarterly, commencing July 1, 1926. Further plans for expansion are now under way which will call for almost double the present number of stores. In this connection it is planned to issue 100,000 shares of no par common stock.

The stock is being sold on the basis of one share of preferred and one-third share of common for $35, which is something of a departure in the sale of preferred stock issues.

O.B.U. MOVEMENT IS NEW MENACE IN CAPE BRETON

(Continued from page 1)

dead in this province by the middle of next summer.

Dangers Developing

Apart from the general objectionable features of the O. B. U., there are three dangers involved in this development:

(1) The O. B. U. hates peace and with scores of professional agitators on the job day and night, minor grievances may cause continual trouble that will offset the advantages of steady work under the new contract.

(2) The company might take advantage of the unpopularity of the O. B. U. to stage another fight on the subject of the check-off, if the new union demanded such recognition in that form.

(3) If the O. B. U. and the U. M. W. should divide the district approximately 50-50 as to membership, the corporation might be tempted to take the opportunity of the first dispute to play one against the other as was done when dual unions divided the field in 1909.

Everybody realizes the danger from the situation now developing, but nobody is doing something for the reason that there seems to be no legal way to check the onslaught of the Winnipeg organizers.

We offer—
William Davies Co. Inc.
6%
First Mortgage Sinking Fund Gold Bonds
Due 1st November, 1942
Price: Rate and accrued interest
To yield about 6.30%
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For April Investments:—

We offer the following very attractive and conservative issues:—

Amount	Security	Rate	Maturity	Price	Yield
$25,000	City of Edmonton	5½%	1945	101.00	5.42%
10,000	Northern Canada Power, Ltd.	6%	1945	102.00	5.83%
25,000	St. Lawrence Paper Mills, Ltd.	6%	1946	98.50	6.125%
50,000	Bloor-St. George Realty, Ltd.	7%	1946	100.00	7.00%

Fully descriptive circulars sent on request

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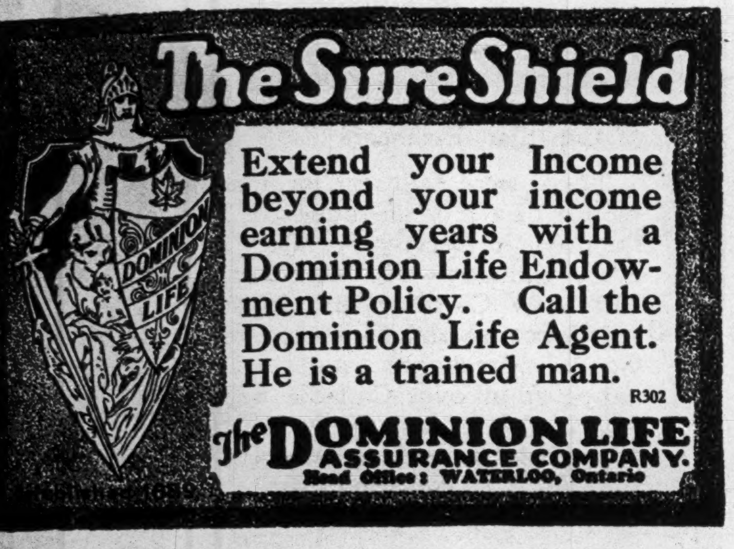
Telephone Elgin 2301 312 Bay Street, Toronto 2



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Head Office: WATERLOO, Ontario

Home Assurance Company of Canada

Head Office - Calgary, Alta

Licensed in the Provinces of Alberta and British Columbia for Accident and Sickness Insurance.

Condensed Statement as at December 31st, 1925

Amount on deposit with Government of Alberta		$12,500.00
Amount on deposit with Government of British Columbia		20,000.00
ASSETS		
Cash on hand and in bank	$ 6,025.48	
All Guaranted Govt. Bonds	40,781.77	
Accrued Interest	668.00	
Agents' Balances	1,793.68	
Accounts Receivable	100.25	
Amount of Mortgages	3,000.00	
Amount of all other assets	6,015.58	
Total Assets		$58,384.76
LIABILITIES		
Reserve for unearned premiums	$ 4,497.51	
Claims in Course of Adjustment	447.00	
Surplus for protection of policyholders	53,440.25	
Total Liabilities		$58,384.76
(Authorized Capital	$500,000.00)	
(Subscribed Capital	456,100.00)	
(Paid up Capital	51,054.50)	
Income for Year Ending December 31st, 1925		
Premium Income	$32,139.86	
Cash received for Interest	1,567.23	
Cash received for Capital Stock	12,394.50	
Cash received from all other sources	13,329.70	
Total Income		$59,431.29
Cash Expenditures for Year Ending December 31st, 1925		
Claims Paid	$ 8,885.94	
Salaries, Directors' and Auditor's Fees	7,792.21	
Printing and Stationery	1,229.00	
Postage, Telegrams and Express	619.03	
Rent and Taxes	778.00	
Travelling Expenses	1,065.00	
License Fees	200.00	
Exchange	66.02	
Light and Fuel	88.79	
Law Costs	300.00	
Sundry Account	1,204.31	
Cash paid to Agents for Commissions, Salaries and Bonuses	19,897.40	
Total Expenditures		$42,125.70

S. C. BROWN, President F. A. OGILVIE, Managing Director C. H. ST. JOHN, Sec.-Treas.

Municipal Income Tax Centre of Controversy

Why is the Municipal Income Tax enforced by some Ontario municipalities and ignored by others? This is the question which vexed the city council of Windsor recently, and it was decided that the matter be taken up with the provincial legislature. A resolution was brought in directing the assessment commissioner to cease the collection of the income tax, but was not adopted by the financial committee.

It is evident that the Municipal Income Tax is by no means a popular tax, at least in that section of Ontario surrounding Windsor. It was found that the tax could not be simply dropped without an amendment to the Municipal Act. It was, therefore, decided to recommend that a delegation to the provincial government, which had already been authorized to look into the matter of obtaining a share in the provincial government amusement tax for the city, be empowered to take up the question of modifying or abolishing the income tax.

Kelvinator Company Has Orders Ahead

Kelvinator of Canada, producers of electric refrigeration systems, have orders now on their books equal to the total orders placed with the company during all of 1925. Until early this year the company was operating as an agency in Canada for the parent company in Detroit. Operations will commence in the new London plant as soon as the equipment is installed, which will probably be about the middle of May.

ONTARIO STEEL CONTRACT

MONTREAL.—The Chatham plant of the Ontario Steel Products Company has been enlarged and is now partially engaged in the manufacture of bumpers for Ford cars. The company has secured a large contract from the Ford Company.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	102	102⅞
Alabama 5% 1962	118	120
Algoma Steel 5% 1962	29½	31
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	100½	101¼
Brand-Henderson 5% 1939	90	..
Burns, P. & Co. 6½% 1943	102⅞	104
Can. National Rly. 5% 1954	101	101⅞
Calgary Brewing 5% 1942	83	..
Can. Steamship Lines 7% 1942	103	104
Can. Pacific Rly. 5% 1934	99¾	100¼
Can. Pacific Rly. 4½% 1944	93⅝	94⅜
Can. Steel Foundries 6% 1936	100	..
Dom. Iron 5% 1939	...	61
Dom. Textile 6% 1949	106	..
East. Koot. Power 7% 1942	103¼	..
Frontenac Brewing 6% 1951	96⅜	..
H. Smith Paper 7% 1941	100¼	101¼
Laurentide Power 5% 1946	100	..
Laurentian Power 6% 1936	100¾	..
Man. Power 7% 1941	104⅞	..
Montreal Steel Works 6% 1940	100	..
Prov. of Ontario 5% 1948	101⅛	102
Ontario Pulp 6% 1931	107	..
Price Bros. 6% 1943	102	102⅞
Quebec Power 6% 1953	103	104
Walmsley, Chas., 6% 1943	96¾	..
Winnipeg Elec. 6% 1954	96⅝	97⅜
Sherbrooke Rly. 5% 1940	77⅝	..
St. Law. Sugar 6% 1932	92	..
St. Maurice Power 6½% 1953	108⅛	109

Municipal and Provincial Finance

RUMOR SALES TAX TO BE REDUCED PRESENT SESSION

Unlicensed Jobbers Rush to Secure Licenses Before Change

Rumor that the Federal Government contemplates a reduction in the sales tax during the present session is supported by a rush of jobbers to secure licenses giving them immunity from the tax, in anticipation, presumably, of such a reduction. Unconfirmed reports have it that a drop of from ½ to 1 per cent. is planned.

The sales tax has not had serious opposition from any group. It is a direct consumption tax, being passed on by the manufacturer who pays it, to the ultimate consumer. Its reduction from the original 6 per cent. to 5 made very litle material difference in dollars, but added somewhat to ease of computation. There are those who urge material reduction or abolition of the tax, but its productiveness seems to preclude such action.

With regard to the actual operation of the sales tax, it applies both to home-manufactured and to imported goods, with certain broad exceptions. In the case of goods produced or manufactured in Canada there is an impost of 5 per cent. on the sale price of the goods. In the case of imported products the tax is attached to the value as it would be determined for the purpose of calculating an "ad valorem" duty. Generally speaking the tax is simple in its application and is easily collected. There is naturally a problem as to whether or not there is any duplication when goods are sold for further manufacture. This is provided for by a regulation allowing certain jobbers to obtain licenses to sell to other jobbers or dealers without the application of the sales tax. If a jobber sells more than 50 per cent. for further production, he can secure a license. This is the transaction referred to in the first paragraph above.

Unlicensed Jobbers Would Lose

There is one class opposed to the reduction suggested and that is the unlicensed jobber. If the tax is reduced, he is going to lose on goods on hand and ordered in advance. The same thing happened in the case of automobile firms which had paid the luxury tax on cars in stock, before this tax was dropped, and were unable to collect it later. This is the reason for the large demand for licenses at the moment. As these jobbers become licensed they can claim refund of the tax paid on all merchandise in stock, and thus place their business immediately on the same basis as that of the licensed jobber.

From a standpoint of revenue, the sales tax is one of the most productive we have. During the fiscal year 1924 it yielded $71,834,937 on domestic goods as well as $29,155,141 on importations, or a total of $100,990,078. During the previous year it was only slightly lower. It cannot be evaded like the income and some other taxes. It has increased annually during the period of its enforcement, unlike the income tax which has declined annually, and it now yields nearly double the amount of the income tax. While the amount of revenue that would be lost by a reduction of 1 per cent. cannot be accurately arrived at, it is probable that it would be about $20,000,000. It seems likely that the reduction, if any, will not be the full 1 per cent. but will be a fraction of it, especially because of the strong representations being made for a reduction of the income tax.

Ontario Estimates Materially Reduced

Anticipated reductions in expenditure on Hydro, on the new government building and on grants to Queen's and Western Ontario Universities have lowered Ontario's estimated costs for 1927 by $1,690,000. Total estimates now stand at $42,129,499 against $43,822,302 last year.

A decrease from $17,000,000 to $14,714,000 was made in the Prime Minister's department, largely on account of Hydro. Education estimates which were $7,000,000 last year show a reduction of nearly $1,000,000 due to cutting off of the university grants. Public works also is cut from $3,464,703 to $1,207,706 on account of the fact that the new building is now nearing completion.

In 1925, Hydro expenditures were $23,690,000; in 1926 they are $15,520,000 and in 1927 they are to be $14,175,000.

HALIFAX TAX RATE

The tax rate for the city of Halifax for 1926-27 has been fixed at $3.24. This rate, based on a total assessment of $55,797,930 will give a revenue of $1,807,852. Last year's rate was $3.08.

BOND MOVEMENTS OF THE WEEK
Week Ending March 29

Bonds—	Int. Rate	Due	Yield	Range, 1925 High	Range, 1925 Low	Range, 1926 High	Range, 1926 Low	Latest Price Ask	Latest Price Bid	High	Low
Can. Canners	6	1950	6.44	96¼	90	95½	94	95	94½	94½	..
Dom. Iron	5	1929	7.34	94	86	92	89	92	..	92	..
Mont. Trams (A)	5	1955	5.44	98¾	92¾	93⅝	92½	93½	93¼	93½	..
Ogilvie	6	1932	5.05	106	103½	105½	105¼	105½	..	105½	..
Wayagamack	6	1951	6.33	98¾	84¾	97¾	92	95¾	..	95¾	95
Winnipeg Elec.	5	1927	5.26	....	..	99½	99½	99½	..	99½	..
War Loan	5	1931	4.68	102.65	101.10	102.40	101.25	101.75	101.50	101.45	101.40
Ditto	5	1937	4.56	104.95	103.80	104.65	103.75	104.25	104.00	104.00	103.75
Victory	5½	1927	4.70	103.15	101.70	101.75	101.15	101.75	101.50	101.50	101.15
Ditto	5½	1933	4.72	107.00	105.10	106.80	105.00	105.35	105.10	105.15	105.05
Do.	5½	1934	4.98	104.80	103.20	104.10	103.10	103.60	103.45	103.65	103.25
Do.	5½	1937	4.62	110.00	108.15	109.30	107.60	108.35	108.10	108.00	107.60
Do. Refund	5	1928	4.72	104.45	100.15	101.30	100.55	100.70	100.50	....	....
Do.	4½	1940	4.85	97.25	92.20	96.70	96.00	96.30	96.10	96.35	96.00
Do.	5	1943	4.85	102.90	101.15	101.95	101.15	101.60	101.50	101.60	101.15
Do.	4½	1944	4.80	97.75	96.20	97.15	96.05	96.25	96.10	96.40	96.35
Do. Renewal	5½	1927	4.98	102.95	100.80	101.95	100.65	101.25	101.00	100.95	100.65
Do.	5½	1932	5.04	104.20	102.60	103.40	102.15	103.10	102.90	102.60	102.15

Succession Duty-Free Bonds Now Total Almost $6,000,000

Details of the amount of succession duty free bonds of the province of Ontario still outstanding, were presented in the budget speech last week. Last year the government introduced special legislation to secure any succession duty free bonds which might be inventoried in the various estates. On advice of the Financial Controller, however, the province did not take up any of these bonds. The price to be paid for them would yield the province only slightly more than 3 per cent. and money would have to be borrowed to buy in the bonds, at 5 per cent. The loss to the province during the balance of the life of the bonds it was found would probably be more than any saving that could be effected by taking in the bonds. No purchases, therefore, were made. Most of the large estates, in fact, had none of these bonds inventoried, and it would appear that they are very closely held in a few estates of the province.

In addition to the amounts outstanding and the amounts in the sinking funds of the province, there have been redeemed and cancelled $4,000,000 of Canadian currency bonds, and £1,966,694 of English inscribed stock.

Following is a statement of bond and stock issues free from succession duties as at October 31, 1925:

Issued	Due	Original Amount	Rate	Redeemed or Cancelled	Present Amount	Bought for Sink. Funds	Outstanding
1906	1926, 36	$3,000,000	3½	....	$3,000,000	$1,538,500	$1,461,500
1909	1947	£1,640,547	4	£1,320,855	£ 319,692	£ 127,887	£ 191,805
1909	1939	$3,500,000	4	....	$3,500,000	$2,627,900	$ 872,100
1911	1941	$ 498,600	4	....	$ 498,600	$ 153,600	$ 345,000
1911	1941	$3,000,000	4	....	$3,000,000	$1,171,600	$1,828,400
1914	1965	£ 817,294	4½	£ 645,839	£ 171,454	£ 87,743	£ 83,711
1914	1919	$2,000,000	5	$2,000,000	....	....	....
1915	1920	$1,000,000	5	$1,000,000	....	....	....
1917	1923	$1,000,000	5	$1,000,000	....	....	....
Canadian		$13,998,600		$4,000,000	$9,998,600	$5,491,600	$4,507,000
Sterling		£2,457,841		£1,966,694	£ 491,147	£ 215,630	£ 275,516

ST. BONIFACE ESTIMATES LOWER

A cutting down of the estimates for the coming year by nearly $50,000 suggests a possible lowering of the tax rate. Last year's rate was 19.65 and a reduction of three or four mills is mentioned. Estimates submitted at the beginning of last year amounted to $562,670, but expenses exceeded $692,000. This year's estimates of $607,666

FORT WILLIAM ASSESSMENT

The assessed value on which taxes are levied for Fort William as at December 31, 1925, including partial exemption is $31,006,157, and the amount of taxes levied last year was $1,147,937. The grand total debenture debt amounted to $8,790,210 and sinking funds on hand amounted to $3,878,242.

Tenders and By-Laws

April 8, Saskatoon—$109,730, 5 per cent. 10, 15, 20 and 30-year debentures. Andrew Leslie, city commissioner.

April, Village of Stenen, Sask.—$3,000, 10 instalment debentures. J. C. Ferguson, treas.

April 6, L'Assomption, Que.—$40,000, 5 per cent., serial bonds. L. P. Archambault, sec.-treas

April 6, School Municipalities of Tres St. Sacrement, Lachine, P.Q.—$30,000, 5½ per cent., serial bonds. E. Daoust, secretary-treas.

April 7, Town of Dorval, P.Q.—$15,000, 5½ per cent., fifteen-year bonds and $33,200, 5½ per cent., twenty-year bonds. H. Meloche, secretary-treas.

April 6, The Township of Chicoutimi, P.Q.—$45,000, 5½ per cent. serial bonds. A. Routhier, secretary-treas.

April 13, Town of Chateauguay, P.Q.—$4,500, 5½ per cent., twenty-year bonds. A. Laberge, secretary-treas.

April 12, City of Shawinigan Falls, P.Q.—$381,000, 5 per cent., serial bonds. A. J. Meunier, sec'y-treas.

April 12, School Commissioners of the Village of St. Laurent, P.Q.—$50,000, 5 per cent., serial bonds. D. Marcotte, sec'y-treas.

April 12, Three Rivers — $380,000, school bonds; $360,000, dated Nov. 1, 1924, maturing by series from 1927 to 1954; $20,000, dated May 1, 1925, maturing by series from 1927 to 1955, interest 5 and 5½ per cent. Arthur Nobert, treasurer of school commissioners. (See announcement on page 16.)

SASKATCHEWAN

List of Authorizations Granted by the Local Government Board From March 13 to March 20, 1926.

Schools—Norman, No. 1703, $2,000; Woodrow, No. 3462, $3,800; Wartime, No. 694, $7,000; Center Ridge, No. 723, $2,000; Aroma Lake, No. 2280, $1,600; Hillsley, No. 1827, $3,500; Minnie Lake, No. 3340, $1,250; Handel, No. 3514, $9,500; Edzell, No. 1562, $5,000; New England, No. 2443, $3,860; Fenwood, No. $250, $8,500.

Villages—Perdue, $2,000; Harris, $5,000.

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Nova Scotia Received Good Price on Bonds

From Our Own Correspondent.

SYDNEY.—The Bank of Montreal's bid of 99.423 for 2 year 4½ per cent. debentures was accepted last week by the Nova Scotia government for the $5,000,000 bond issue being put out for the purpose of paying and retiring debentures maturing April 1, 1926, ($1,500,000) to pay two treasury bills of $750,000 each, issued to retire debentures maturing January 1, 1926, and to raise $2,000,000 for the purpose of paying off existing obligations.

For a similar loan last September, of $4,000,000 of 2 year bonds at 4½ per cent., the province received a price of 100.03.

The call for tenders invited bids on any combination of the following at 4 or 4½ per cent. and 20, 10, 3 or 2 years. There were eight bidders and a great variety of offers as quoted in last week's issue.

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WEEKLY RECORD OF CANADIAN FINANCING

Place Bond Sales—	Date	—Sold To— Municipal	Rate	Maturity	Amount	Price	Yield
Norfolk County	Mar.	C. H. Burgess & Co.	5%	1941	$35,000	99.91	5.02

Insurance for Buyer and Seller

Insuring Auto Against Collision, Fire or Theft

So-called Limited Hazards Described—Argument That Owner Cannot Afford Insurance is Futile—Wealthy Men Are All Insured

Third article in New Series on Automobile Insurance.

ANY man who puts forward the argument that he cannot afford to insure his automobile is misstating the case.

If he cannot afford to pay the comparatively small premium required to insure his car, then it it obvious that he is in no position to carry the risk involved in the operation of an automobile himself. He cannot, therefore, really afford to operate a car, and if he does contrive to drive one he doubly cannot afford to be without insurance protection.

Wealthy Men do Insure

The only man who can really afford not to insure his car is the man who is in a position to carry the risk himself. It is significant to note that such men usually prefer to pay a premium to an insurance company to have them bear the responsibility. Or, if you will, take any big corporation you know of with a number of cars or trucks, you will find, though the corporation's assets may be as large as the average insurance company's, so that it could absorb any losses it would be likely to incur without difficulty, that all of its cars are protected by insurance. They could afford to be without insurance if they wished but they find that it pays them to have an insurance company relieve them of the responsibility.

There are two distinct groups of hazards with which the automobile owner is confronted constantly, from the time he drives his car away from the sales room until it passes out of his hands. The first is that the car itself will become damaged, burned or stolen, in which case the owner will lose it altogether or will be put to expense in having it repaired. The second is that the car may, through its existence or operation, inflict injury or damage to the persons or property of others resulting in the owners becoming liable for damages. In this article we are concerned with the first of these two classes of hazards, the limited, as distinguished from the unlimited risks. The usual forms of coverage in this group are: Collision damage insurance, insurance against loss by fire, and transportation and theft insurance.

Writing of Collision Insurance

Collision insurance was first undertaken in America in 1907, but was not written to any great extent until a number of years later. Even to-day, after 19 years of writing this business, the number of cars carrying collision insurance is comparatively small, only about one car in twenty being protected against this hazard. This is undoubtedly due to the high cost of full collision coverage as compared with other coverages. As a matter of fact, this business has been unprofitable to the companies since the claims frequency on full coverage collision insurance has run in the vicinity of one hundred per cent.—in other words there has been an average of one claim per policy.

For this reason, the tendency has been to increase rates for full cover collision insurance and to reduce rates of deductable coverages. There are, however, a considerable number of automobile owners who are willing to pay the price for complete coverage against loss or damage to their cars as a result of collision accidents.

The $25, $50 and $100 deductable collision coverages are provided at a lower cost to owners who are willing to carry the risk of minor claims themselves but who wish to be protected against the heavy loss of a serious accident. The rates for this form of coverages are very reasonable, the insurance company assuming responsibility for the amount over the deductable sum.

It is interesting to observe that in the first form of collision policy issued, the company was not liable unless the amount of the claim was in excess of $25. The result of this was highly unsatisfactory to the companies, for many drivers when they had accidents made sure that they were good and proper smashes so that the claim would be more than $25 and they would be relieved of all responsibility. Needless to say the companies soon discontinued this feature.

Insurance Against Fire Loss

The fire and transportation coverage needs little explanation. It is the most popular coverage of any anutomobile line, about 25 per cent. of the automobiles in use in Canada being protected against this hazard. The policy protects the owner against direct loss or damage to his automobile, including equipment, by fire, lightning, or if caused by the conveying vessel or railroad train being in collision, wrecked or burned.

The reasons for an automobile owner insuring his car against fire are as good as, or better than the reasons for his placing fire insurance on his house. The fire hazard with an automobile is a very real one since at all times there is in close proximity to it a considerable quantity of highly combustible material.

Theft insurance protects the owner against direct loss or damage to his automobile by theft. The standardization of automobiles, as well as their tremendous popularity, have made the work of the automobile thief comparatively easy, particularly in large cities where there are hundreds of cars of identical appearance. The feature of the policy which protects an owner against damage to his car at the hands of a thief, is of almost equal importance these days with the coverage against complete loss through theft.

INSURANCE SALES UP 15 PER CENT.

Increase in Two Months in Canada Shows Higher Average Than U.S.

Ordinary life insurance written in U. S. last month totalled $640,775,000, an increase of $29,000,000, or 5 per cent., over Feb., 1925.

This includes sales of new paid-for ordinary business as reported by eighty-one companies having in force 88 per cent. of the total life insurance outstanding in the United States legal reserve companies.

Practically every section of the country registered increases for the month.

During the first two months of the year the total production was $1,213,414,000, an increase of four per cent. over the 1925 period. The increases for this period ranged from two per cent. in both the New England and Middle Atlantic sections to 13 per cent. in the South Atlantic States. For the first two months only six states show a decrease in sales of as much as 5 per cent.

The ordinary life insurance purchased in Canada during February ran 21 per cent. ahead of the same month last year. The total of $34,744,000 new business was paid for and delivered by companies having 84 per cent. of the total business in the Dominion. This is a gain of $6,000,000 over February, 1925. The insurance purchased during the first two months this year was $9,000,000 more than in the corresponding period of 1925, or an increase of 15 per cent.

Insurance Companies Buy More Realty Mortgages

Of the great fund accumulated by individual savings now stored up in the form of life insurance an increasing proportion is being invested in real estate mortgages, according to a statement in regard to life insurance investments made by the National Association of Life Insurance Presidents of the United States.

The statement is based on an analysis of the records of 52 leading life insurance companies holding 93 per cent of the funds of all legal reserve life insurance companies in the country. Results of the analysis were made public in an address given by Robert W. Huntington, president of the Connecticut General Life Insurance Company, before the nineteenth annual meeting of the Association of Life Insurance Presidents.

The total funds of all legal reserve life insurance companies have grown in the last fourteen years from $4,164,492,000 to $11,500,000,000. There has been in the last year alone an increase of over a billion dollars, the reports show. Of this fund, according to the study, 40.6 per cent. was invested in real estate mortgages, in the year 1925. In the year 1911 only 31.7 per cent. was so invested.

Loans on city property as made by the life insurance companies more than doubled during the last five years. They jumped from $1,120,696,000 at the end of 1920 to $2,346,674,000 by October of 1925. These loans include martgages on homes, apartment buildings, hotels, office buildings and business properties.

Investment in farm mortgages by the life insurance companies represented in the study reached in 1925 a total of $1,871,056,000. This is more than double the amount of such securities held by them six years ago.

FIRE UNDERWRITERS' 1925 EXPERIENCE QUITE UNHAPPY

Discouragements of Varied Nature Fell to Lot of U.S. Concerns

The insurance figures for 1925 will soon be out. What will they reveal? Will it be the same story for the fire underwriters as was the experience in the U. S.? Theirs is a desolate story, their figures being already out. Bitter complaint about heavy losses is heard. There is a feeling that something—they know not what—must be done.

That a number of companies are getting more conservative in their underwriting is evidenced by the increased call for facilities, especially on undesirable classes. A company official said recently that he had turned down at least half a dozen requests for accommodation lines that day. Other companies were evidently cutting them out or reducing commitments. Another officer said that nearly every day his company was being urged to write Louisiana sugar houses and woodworkers throughout the south—two classes which have shown a bad experience. Evidently the agents who are being instructed to cancel or reduce lines are having their troubles also.

One underwriter says mercantile stock lines are making a very bad showing, indicating, in his opinion, something wrong. Other underwriters are watching their lines which might be adversely affected by reported bad conditions in the woollen market.

When things are going badly, there is always a tendency to try to find somebody to blame for them. That tendency is not absent now. Competitors, special agents and local agents are all coming in for criticism. Some companies complain of non-affiliated companies, and others are honest enough to admit that some of the Eastern Union companies are as deep in the mud as the now affiliated companies.

A satire on the attitude of some special agents in the Journal of Commerce, New York, called out much merriment and some approval, but several company officials admitted that if special agents are unable to deal firmly with local agents, it is in part due to the fact that for several years special agents have been encouraged to do everything to induce agents to give their companies a larger share of the business of the agencies and to do nothing that could possibly offend the agents.

As for the agents, it is complained that they are not underwriting as they used to do and are as insistent as brokers in demanding that their companies take all kinds of business offered them. Here, again, some company officials admit that this attitude is partly due to companies having deprived agents of sole local responsibility by planting annexes and subsidiaries in the offices of competitors and partly due to accepting business which was not favorably regarded, but would swell premium income.

There is little doubt that the present trying experiences will eventually result in improvements, for it cannot be to the advantage either of the companies or agents to have the business remain unprofitable for any considerable time.

It is a question, however, whether it would be for the best to have conditions improve too suddenly. Some reforms are needed in the business, especially in the reduction of commissions in those localities where they are now excessive. Such reforms cannot be effected unless there is close to 100 per cent. co-operation. There are some companies which are generally disinclined to co-operate and others which are very reluctant to give up any advantage in the interest of the general good. Apparently, companies of these classes need more punishment to induce a change of heart.

Monarch Life Places Sound Loans in the West

That loans in western Canada can be just as sound as loans in any other section of Canada was brought out before a convention of the Ontario representatives of the Monarch Life Assurance Company at Toronto this week by the vice-president, F. W. Adams, when he stated that of 1,129 loans made by the company only 127 were in any respect in arrears. All these loans have been made in the West.

This record of the Monarch Life indicates the care and judgment used by the board of directors in the administration of the funds entrusted to them by the public. Mr. Adams emphasized the realization on the part of the directors of their responsibility in taking care of these funds. The directors would make mistakes, he admitted, but they used the same judgment that they would employ in handling their own money. The directors felt that they owed this to their policyholders and to the company representatives who placed these policies.

DELUDED WRITER OF SENTIMENTAL SONGS A VICTIM

Hearst Made Him Famous and Then Sold Him Stock

WINNIPEG.—Four years ago a struggling song writer, vainly seeking recognition for his compositions, then a figure in the financial world as a director of the Hearst Music Company, and now once again an ordinary citizen, $1,000 poorer for his contact with Winnipeg's musical genius, Andrew J. Lloyd, employee of the Manitoba Agricultural College, told the sad story of his rise and fall at the preliminary hearing of Joseph X. Hearst, held on charges of theft and fraud, before Magistrate H. Lacerte. The session was memorable as seeing the 1,004th exhibit turned in as evidence by the crown.

"Mother's Momento of Love" was the name of the ballad written by Lloyd, which started all the trouble. Longing to see his composition set to music and heralded as the "hit" of the season, witness submitted it to many publishers, only to have it returned, unaccepted. Finally, he noticed an advertisement in a Winnipeg newspaper inviting composers to submit their "masterpieces" to the Hearst Music Company for consideration. This he did, and the song was again rejected, but he was encouraged by Hearst to continue his writing.

Song Accepted

Accordingly more lyrics were written and finally accepted. It was then that Hearst suggested the purchase of shares in the company, and Lloyd, thrilled with having his productions set to music, considered the project a splendid one and in March, 1922, began his "flier" into the realms of high finance with five shares at $100 per share, or $500. Further purchases included five shares in June, paid for in cash at the same price; another purchase of one share during the same month and paid for with dividends; six more purchased in December, totalling $550, $425 of which was borrowed from a friend, five shares purchased later in the month and paid for with dividends; eight shares bought in January, 1923, and paid for with royalties on one of his songs; another share purchased in July from a private shareholder for $100; and a final purchase of 19 shares in October, the price this time having risen to $150 per share. Not having the necessary funds on hand, witness borrowed $2,850 from Hearst, all, with the exception of approximately $500, having been repaid, principally with royalties on his songs. Many more shares were acquired as stock dividends, while cash dividends of aproximately $900 were received.

In June, 1922, winess was elected a director of the concern, holding this position until the time of the final "smash-up."

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The Company's Canadian Head Office is in Ottawa where its Canadian business east of the Rockies is transacted. Canadian premiums are received, Canadian policies issued and Canadian claims paid in Ottawa.

Business Written in Canada in 1925....... $165,123,047
More than that of any other company.
Insurance in force in Canada, end of 1925. $833,544,780
Largest amount in force in Canada in any company.
Policies held by Canadians, end of 1925.. 2,215,742
Largest number in force in any company in Canada.
Paid Canadian Policyholders in 1925...... $ 8,540,178
Investments in Canada, at end of 1925....... $125,150,919
Invested in Canadian Government and Municipal Bonds.. $ 86,743,283

Head Office-Ottawa, Canada

2,371 FAILURES IN CANADA IN 1925

The 1925 figure for business failures in Canada was $45,767,825.00.

Don't say, "This doesn't affect me—I'm watching my customers—I'm not subject to attack." It does concern you. Because these statistics cover literally every phase of Canadian Business.

There were failures, for instance, every month of the year—hundreds in January; hundreds in December. They happened in every industry—42 Machinery and Tool Mfrs., 94 Clothing and Millinery Mfrs., 401 Groceries and Meat Markets, 136 Dry Goods Merchants, and so on. They happened all over Canada—625 in Ontario, 220 in Manitoba, 98 in Alberta. They happened to concerns of every size—from the "Aa A-1" concern down to the smallest cross-roads general store.

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Has made a record in Canada for profit and volume of business which at the outset was declared to be impossible.

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When the petty thief and the porch climber have made off with your valuables—what then?

Protect yourself against loss from the menace of burglary and sneak thieves by a policy with us.

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Established 1833

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TOTAL BENEFITS
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$87,000,000.00

Policies Issued from $1,000 to $5,000

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Current Events in Banking World

CANADIAN BANKS MAKING SMALLER PROFITS THAN U.S.

Evidently Serving the Public at More Moderate Charges

It has always been the contention of the Canadian banks that, because of national organization with comparatively low overhead expense and with competition of the keenest kind in practically every business community in Canada, the charges to the public for service rendered have been extremely moderate. This would seem to be borne out in a comparison of the earnings of the national banks in Canada with the state and federal banks in the United States. The American Banker points out that "with only eleven banks in Canada serving the entire country it would seem that their money making ability would be high, which, on the basis of comparative figures, does not seem to be the case."

Within the past two years there has been considerable purchasing of Canadian bank stocks in the United States. One firm of bank stock dealers has made a specialty of these securities and has done much to acquaint American investors with facts about Canadian banks. One point in relation to Canadian bank stocks that appeals to American investors is the high yield of the return to the purchasers at present prices and present dividends. This fact has unquestionably helped their popularity in United States, for American bank stock buyers have generally bought for appreciation and principal rather than for yield. A recent analysis of Canadian bank stocks issued by the New York investment house of H. D. Walbridge & Co., shows yields of from 5.30 per cent. up to 7 per cent. New York city bank stocks are for the most part returning 3.50 per cent. to 4.47 per cent. Even in other large cities in the United States it is difficult to find the stock of a large bank yielding its purchasers over 4½ per cent. on current market prices and current dividends.

The increase in dividends in Canadian bank stocks is not regarded as very exciting as compared with American bank stocks. The American banker, therefore, comes to the conclusion that Canadian bank shares do not sell on as low a yield basis as American bank stocks because the earning power of the Canadian banks is lower than that of the big American banks.

Whatever conclusion which may be arrived at as regards the earning power of Canadian and American banks, there is much evidence to support the claim of the Canadian banks as to the reasonableness of their charges for services rendered. — J. W. T.

Staff Gossip

Mr. McAuley, of the Standard Bank, has been transferred to Cobourg, and his place here will be filled by Mr. Northwood.—Post, Deseronto.

* * *

Residents of Brockville and vicinity regret the transfer to Kingston of Harold L. Christie, accountant at the local branch of the Bank of Nova Scotia for the past seven years. — British Whig, Kingston.

* * *

J. L. Hendry, who has been in the Bank of Montreal, Forest, for some four years, has been transferred to the Dundas and Wellington Streets branch of the same bank in London. He will be succeeded here by Mr. Verity, of Cobourg.—Free Press, Forest.

* * *

H. I. G. Fraser has been transferred from the Aylmer branch of the Bank of Montreal to the local branch and will succeed C. E. Montieth, who has been permanently appointed to the Simcoe branch, where he has been supplying for several months.—News, Chatham.

* * *

A. J. Sloane, manager of the Niagara Falls branch of the Canadian Bank of Commerce, corner Queen Street and Erie Avenue, received notification that he has been promoted to the Stratford branch of the bank. He will be succeeded at the local branch by Charles Ballard, former manager at the Commerce branch here.—Review, Niagara Falls.

* * *

One of the best-known figures in banking circles in Ottawa, Arthur Bentley Broderick, former manager of Molsons Bank here, died during the week after an illness of many months. Mr. Broderick came to Canada in 1876, and, with the exception of only a few years, has since been on the staff of the Molsons Bank. Before coming to Ottawa he had been with the bank at Brockville, Toronto, Montreal, Ingersoll, Exeter, and Smiths Falls, and for thirty years prior to his superannuation, about five years ago, he had been manager of the Ottawa branch.—Globe, Toronto.

* * *

After having served 38 years with the Eastern Townships Bank and the Canadian bank of Commerce at Huntingdon, C. W. Thomas retires from banking and will be superannuated.

Mr. Thomas took up banking on January 17, 1881, at Stanstead in the old Eastern Townships Bank. Subsequently he served at Rock Island and Sherbrooke and went to Huntingdon as branch manager of that bank and took up his duties on May 24, 1904. On March 1, 1912, the Eastern Townships Bank went out of existence when they amalgamated with the Canadian Bank of Commerce.

Mr. Thomas will continue to reside in Huntingdon and, as president of the board of trade, will devote considerable of his energy to further the interests of the town.

F. I. Batchellor, lately of Crossfield, Alta., but formerly of Bedford, Que., will be his successor and will take up his duties on the 12th of April.—Bulletin, Ormstown.

Weekly Bank Clearings

(In comparison with the same week last year.)

EASTERN CITIES

	Mar. 26/25	Mar. 25/26
Halifax	$2,214,641	$2,497,391
St. John	2,232,903	2,365,647
Moncton	639,819	758,716
Quebec	4,746,641	7,609,126
Sherbrooke	692,486	724,143
Montreal	72,510,812	79,188,778
Ottawa	4,528,163	5,134,957
Kingston	513,269	472,721
Chatham	....	568,785
Peterboro'	786,181	763,681
Toronto	88,019,403	85,703,127
Hamilton	3,759,162	4,125,574
Brantford	807,159	921,736
London	2,335,901	2,312,899
Kitchener	832,173	773,408
Windsor	2,539,135	3,700,226
Total, east	187,157,848	197,615,915

WESTERN CITIES

	Mar. 26/25	Mar. 25/26
Ft. William	$ 547,170	$ 564,819
Winnipeg	49,135,937	45,864,377
Brandon	536,003	489,520
Regina	2,450,883	3,326,382
Moose Jaw	933,716	972,158
Saskatoon	1,241,391	1,692,518
Prince Albert	247,486	360,962
Lethbridge	448,600	496,050
Calgary	6,447,080	8,706,462
Edmonton	3,698,244	4,329,907
Medicine Hat	238,081	268,037
N. Westminster	518,601	796,825
Vancouver	13,628,582	20,403,238
Victoria	1,353,337	1,971,829
Total, West	81,424,111	90,243,084

BANK OF COMMERCE

The Canadian Bank of Commerce has extended its chain of branches in the northern mining fields by opening at Rouyn. This is the second branch which the bank has opened in the new Quebec mining district. Recently they also established a branch at Amos.

IMPERIAL BANK

The Imperial Bank announces the following staff changes: A branch of the Imperial Bank is being opened shortly at Kitchener under the management of T. R. Richardson, formerly assistant manager, Winnipeg. A. Friesen, formerly accountant, Saskatoon, has been appointed manager at Laird, Sask. J. A. G. Clokie, former manager, Laird, has been appointed manager, Grande Prairie, Alta.; vice G. L. Grisdale being transferred to eastern Canada.

MANITOBA'S RESOURCES

Manitoba Free Press.—The Dominion government wisely consults Manitoba regarding the disposal of timber resources and sometimes regarding water power, but the present situation is not right. The province should have full control of the resources and direct their development. Manitoba, however, should not surrender her rights, she should stand out for a just settlement.

Canadian Banks are Just as Much National as Those of the States

A Great Deal of Loose Talk is Heard About the American System by People Who Should Know Better — Rediscounting Not New

There is a great deal of loose talk employed both in and out of parliament about the Canadian banking system by those who should know better. For instance, there is the impression given by some people who get the public ear that the national banks of the United States are operated in co-operation with the government. Then there are references to rediscounting and other features of the American banking system evidently intended to create the impression that the Canadian banking is lacking in these features. In the following article A. B. Barker discusses some of these points in a very practical way.—J. W. T.

Many of the critics of the Canadian banking system who urge the adoption here of the American system lay great stress on the fact that the latter is "National Banking." It seems to be a case of the name selling the idea, as the American National banks are national, merely in the sense that they are incorporated under the National Banking law. This law was called the National Banking law, in order to distinguish it from the laws of the individual states, under which prior to that all banks had been incorporated. The Canadian chartered banks are national banks in precisely the same way, as they are incorporated under, and governed by the bank act passed by the Dominion Parliament and not by the provincial legislatures.

The National Banking law was passed during the Civil War, and was a war-measure pure and simple. It met the conditions then existing, and as the provision requiring a deposit of government bonds to secure the notes issued by these banks, not only provided a satisfactory currency, but also a steady market for these obligations issued by the United States government to obtain funds with which to equip the Federal armies, it contributed in no small measure to their success in the struggle with the Confederate states.

This currency, however, while safe, was inelastic, and when trade requirements increased proved inadequate, There were frequent currency famines, and finally after a long agitation the federal reserve system was established in 1914, the chief object of which was to secure to the United States the benefits of an elastic currency, such as we have had in Canada for many years through our bank note circulation. The note issues of our banks are not specially secured by government bonds like the National Bank Notes of the United States, but are obligations of the issuing banks, and a first charge on their assets. The banks make a profit on these issues, of course; that is what they are in business for, but in order to earn this profit, must give adequate service. That they have given adequate service no one can deny, and the efficiency of the system is evidenced by the absence of money panics in Canada. There have been panics in the United States when interest rates shot up to alarming figures but since the establishment of the federal reserve banks, these panics, with their wild rates, have ceased, because, through these banks, the national banks of the United States have been enabled to co-ordinate their efforts, and mobilize their resources in very much the same way as the branches of a Canadian bank through its head office.

About Rediscounting

Rediscounting is another feature of the American system of which much is made, the critics quite ignoring the much more simple, and decidedly less expensive, methods in Canada by which banks may borrow from the government, either by pledging securities,. or rediscounting of trade paper. About the only real difference between results of the two is that in the United States that is all done through the federal reserve banks, and is widely advertised. Here it is done with the Dominion government and no special attempt is made to advertise it. Such loans are shown in the monthly government return and published, but do not receive the wide publicity which the operations of the federal reserve banks obtain from the comments in the financial press.

It is understood by many that the currency issued by the federal reserve banks in the United States is a government currency. It is not. It is a bank currency, on which the federal reserve banks make a profit. It finds its way into ordinary circulation through the rediscounting of trade paper for the member banks, and as with the Canadian bank notes it goes back for redemption to the issuing bank when the trading needs of the community no longer require it.

When Canadian banks rediscount with the government the advance they receive is in Dominion notes, legal tender, but, instead of using it in their business, they lodge it with the central gold reserve as security for an equal issue of their own notes. On this issue there is a profit for the government, but none for the banks from the circulation. In the United States the banks do profit from the federal reserve circulation, as all national banks must own stock in the federal reserve banks in proportion to their paid-up capital, and this investment yields a satisfactory dividend.

WOULD REDUCE NUMBER OF BANKS

Consolidations Favored to Meet Conditions in Northwestern States

ST. PAUL.—The council of administration of the Minnesota Bankers' Association has passed a resolution approving the policy of the superintendent of banks for Minnesota in encouraging consolidation of banks in territory where the banking business is "overdone." The resolution follows:

"Whereas, present economic conditions, the increased cost of doing business, the loss of former sources of revenue, and the constantly decreasing margin of profit with its consequent eventual impairment of capital, require a larger volume of deposits per bank, and, therefore, a reduction in the number of banks in the state; therefore,

"Be it resolved, that we commend the policy of the banking department which encourages consolidations and voluntary liquidations."

The comptroller of currency, as well as many heads of banking departments of western states, are agreed that there is need for a reduction of banks in districts where the field is overcrowded. Banking conditions have undergone a notable change during the past quarter century, says Commercial West. Even within the past few years the banking field has been changed. Federal land banks, intermediate credit banks, and like agencies of the government, have reduced the money-earning possibilities of many country banks. The numerous failures of small banks during the past few years have proved that stronger and better-managed banks are needed. Through the weeding out of the weak institutions through failure and consolidation in the states of the northwest, the banking field has been vastly improved. People are better served in country districts where banking is not overdone and where banking is rightly carried on. While there are a few hundred less banks in the northwest than there were a few years ago, banking has not suffered, as is shown by statements supplied the comptroller of the currency and the state banking departments. Deposits have increased, legal reserves also have increased, and banking is more safe.

FISHERIES INCREASE IN P. E. I.

CHARLOTTETOWN.—Value of fisheries production of Prince Edward Island in 1925 was $1,598,119, as compared with $1,201,772 in 1924. These totals represent the value of the product as marketed, whether in a fresh state or canned, cured, or otherwise prepared.

P. E. I. DAIRY PRODUCTION

CHARLOTTETOWN.—The total production of the creameries in Prince Edward Island in 1925 was 1,719,943 pounds of butter, with a gross value of $633,895, as against 1,636,497 pounds, valued at $572,779, for 1924. The cheese output amounted to $2,001,191 pounds, worth $414,482, compared with 2,047,124 pounds, with a value of $320,433, in 1924.

Defaults Are Fewer; Tax Payment Better

An important index to the general financial condition of the country is that provided by the record of the payment of municipal taxes. In this connection it is noteworthy that whereas at the end of June last, loans by the chartered banks in Canada to cities, towns, villages and municipalities throughout the Dominion amounted to $76,107,924, on 31st December last outstanding loans of this character were only $52,733,704, a reduction of $23,374,220, or more than 30 per cent., having been effected in the six months' interval, says the Monthly Letter of the Canadian Bank of Commerce.

During the past two years the assessable value of rateable property in cities, particularly in the western provinces, has been further adjusted so as to more nearly approximate realizable values. This adjustment has resulted in a substantial decrease in assessable values and the assessments have been further reduced by the exemption from taxation of property acquired by the taxing authorities through tax sale proceedings. While the assessed value of land in outlying suburbs of the larger towns and cities has tended to decline, the opposite tendency is evident in rural municipalities. Improvements generally are being subjected to higher assessments for taxation purposes. On the other hand, municipal taxation continues to show a downward trend. In rural municipalities uncollected taxes and the balance of tax sale holdings unrealized have been decreased during the past several years, but the showing of the urban municipalities in this respect is less favorable. The demand by investors for tax sale certificates of villages and towns has not been so marked as in the case of those of older cities and of rural municipalities. In towns and cities the general trend of expenditures appears to be downward, and while in a number of rural municipalities and villages new construction work has entailed considerable outlays, efforts are being made to economize wherever possible. The expenses incurred in connection with health and sanitation have gradually increased each year in the rural municipalities and villages; in the towns there has not been much change in this respect, but in the cities such expenditures have shown a downward tendency. The operation of utilities by the various towns has in some cases been attended by indifferent results, but in the cities municipal enterprises have in almost all cases been operated on a profitable basis. The general trend in debenture liabilities in each class of municipality is downward. The situation in respect of default in debenture payments has improved, and several western municipalities which found themselves in that position have so arranged their affairs that none of them are technically in default at the present time. There are, however, a number whose affairs are in an unsatisfactory position, but adjustments are under consideration which, when effected, will entirely obviate loss of principal, and the loss by adjustment of interest charges will be only nominal.

Generations of Canadian smokers have bought Tuckett Preferred Cigars—and have never been disappointed in their uniformally good quality and workmanship.

TUCKETTS PREFERRED PANETELAS 2 for 25¢

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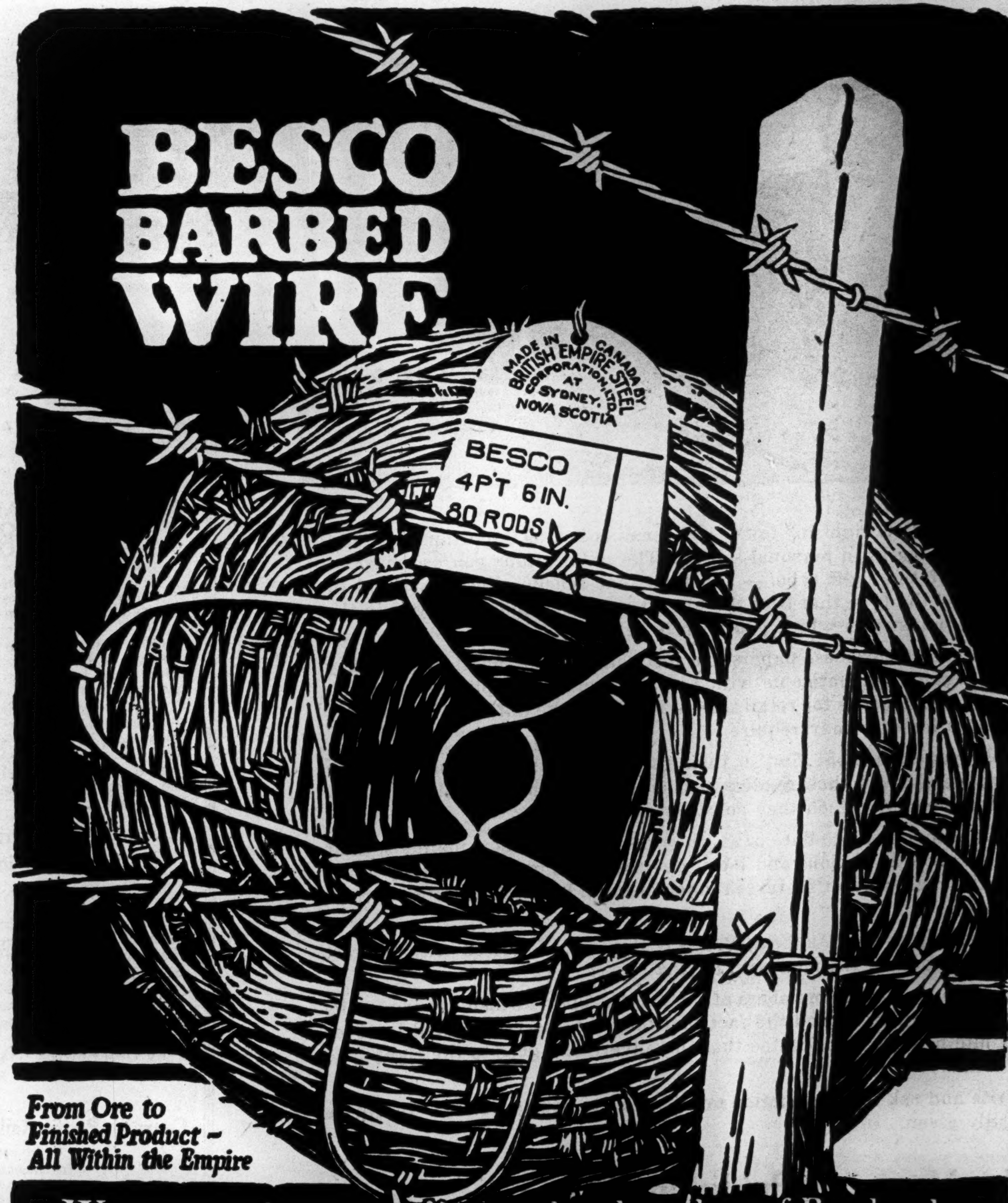
Epicures 2 for 25c Conchas 10c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Says Revolutionary Change in Tariff Would Bring Disaster

Conclusions of Dr. Page, Former Chairman of the U.S. Tariff Commission, as Stated Before Senate Investigation, Have Direct Interest for Canada

In February, The Financial Post published the results of an investigation into the flexible provisions of the U. S. Fordney-McCumber Tariff Act of 1922, by J. Courtland Elliott, M.A., a Canadian economist now engaged in financial research in Washington. Since that time the U. S. Tariff Commission has been under fire by a Senate investigating commission, and Mr. Elliott, who attended the opening sessions, presents here some further conclusions.

WASHINGTON.—A member of the Interstate Commerce Commission recently made the remark that "the longer I deal with railway rates the more I am convinced of their fundamental similarity to tariff duties." Judy O'Grady and the Colonel's lady, who are reputed to be sisters under the skin, thus have their counterpart in the realities of rate-making.

The political ritual, which surrounds the formulation of tariff duties, has obscured much information that is vital and revealed many generalities that would be better left in the limbo. The political procedure in framing tariff duties has been, perhaps necessarily, much different from that establishing railway rates. Yet in the United States the Transportation Act of 1920 empowers the Interstate Commerce Commission to fix rates that may yield a fair return to the railroads under honest, efficient and economical management, without prejudicing the interests of shippers and consumers.

The particular problems presented in tariff rate-making vary considerably from those in transportation. Even so, it is a necessary assumption that a tariff board must be supported by a public opinion that will countenance neither malice towards manufacturers nor extortion from the consumers. In Canada, there is a further assumption that the historic protective policy cannot be ruthlessly swept away.

In such a case, there is no justifiable reason to believe, that, unobscured by political camouflage, support will not be given to any tariff plan which promises to protect the public from abuse and at the same time maintains the legitimate industries, "honesty, efficiently and economically managed."

In truth, these phrases are vague enough but they have been explained from time to time in The Financial Post. It has been asserted in a recent series of articles that there is a vital need for a properly constituted tariff board. An effort has been made to indicate some of the qualifications and duties of such a body, and United States experience has shown some of the difficulties and dangers to be avoided, notably the entrusting of rate-making powers to a politically partisan or incompetent body according to the vague formula of equalizing competitive costs.

During recent weeks striking confirmation of these views has been given in the testimony of two former chairmen of the U.S. Tariff Commission, Dr. F. W. Taussig and Dr. Thomas Walker Page, before a Senate committee investigating the flexible provisions of the Tariff Law of 1922. They are the outstanding tariff authorities in the United States. Dr. Taussig is professor of economics in Harvard University, whose services on various government commissions have been invaluable over a long period of years. He is a free trader, who, however, looks at the tariff as a social actuality. Dr. Page is now attached to the Institute of Economics in Washington, but, for the past fifteen years, has been prominently identified with tariff investigations. He describes himself as a "discriminatory protectionist," which is virtually the same as a pragamatic free trader.

It was recently charged that President Coolidge had influenced the activities of the Tariff Commission both by appointing political partisans and by attempting to intimidate some of the commissioners. It was alleged that he had not used desirably the flexible provisions whereby he could, after investigation by the Tariff Commission, alter materially the rates of duty.

Whether or not these charges are true is not material to the projected tariff board in Canada. The fact is that both Dr. Taussig and Dr. Page confirmed the views recently expressed in The Financial Post that, while complete tariff stability is undesirable, the revisions should be made by Parliament relatively infrequently on the basis of reliable information embodied in the reports of a competent tariff board.

In his testimony, Dr. Taussig insisted that a tariff commission should be composed, not only of economists, but of "men of intelligence from the world of affairs," who, however, were of a judicial frame of mind. He suggested that the commission "should report and recommend rates, stating the assumptions on which its recommendations rest." Moreover, he recommended the abolition of the flexible provisions, based on the narrow inquiry into the differences of foreign and domestic costs of production.

As a Source of Information

"We shall never have a decent tariff," Dr. Page testified, "unless Congress is furnished with the information needed for making it, and to procure that information some such agency as a tariff commission is indispensable." Dr. Page further asserted that the duty of making the tariff belongs to Congress, that the commission should not devote its whole energies to cost inquiries, and that "the members of the commission should be men of balanced judgment and what is commonly known as judicial temperament."

In response to questions as to his attitude toward the tariff Dr. Page made an important statement of policy which deserves the utmost consideration in Canada. "I think that the commercial policy of the country must be adapted to the particular conditions that prevail in that country. Inasmuch as this country has been living under a protective tariff for many generations, and industries have grown up and developed and adjustments have been made under that kind of a tariff, I believe that the immediate withdrawal, a revolutionary change in our commercial policy, would be attended by disaster to this country which would be almost without parallel. Whatever may be said, therefore, with regard to free trade or protection as a theory, I think that the condition in this country is now such that you have to regard it as necessary that change of policy in the tariff should be made with the utmost care. I think that there are industries in this country that do not require protection. I think that there are industries that would suffer irremediable disaster if protection were immediately withdrawn. To that extent I am a believer in protection in this country."

The tariff investigation will continue for some time. It may reveal some untimely political interferences with the work of the commission. It will indicate some inadequacies in tariff methods. It will probably be followed by some revisions. It will point some further lessons for Canada. Nothing, however, will permanently shake the fundamental basis of the tariff commission as an indispensable instrument for the provision of enlightened information to Congress. Legitimate business has nothing to fear from a competent tariff board.

The Foreign Exchanges

Conducted by S. J. ZACKS.

The trend of the foreign exchanges during the week was very erratic. Pressure on the French francs forced them to a new low of $.0339, although on Tuesday the franc was supported and it rallied to $.0343½. The crash of the French franc unfortunately has brought with it a sharp break in Belgian currency. The Belgian franc at $.0367 touched a new low in its history. A revision of the whole Belgian stabilization scheme has probably been found necessary, following the reaction of the French franc.

U. S. funds while slightly firmer on Tuesday, have shown evidences of further weakening. Sterling has been holding firmly.

Time and again the question has been asked when will the bottom price be reached for the French franc?

France is still without the prospects of a good balanced budget. The defeat of the government is awaited daily and what then? Possibly a Socialist administration or general election will follow the defeat of the present government. Whatever happens, in order that the foreign exchanges be stabilized, there must be reasonable certainty that the estimates of income and outgo will not be exceeded.

The situation in France truly becomes more complicated hourly. So long as the virtual deadlock remains in the Chamber, making stable government impossible, a danger exists not only from the revival of the war in Morocco, but also of one in Syria. An economic slump, as a consequence of high taxation is promised.

Undoubtedly public confidence has been rudely shaken during the last 18 months. Meanwhile the Treasury remains exposed to a run on its funds by the holders of short term bonds. There at 48,000,000,000 francs' worth of these outstanding, none running more than 12 months, and all enjoying right of immediate discount with the Bank of France. Besides keeping these bonds afloat, the Treasury has to meet within the very near future some 7,000,000,000 franc obligations. The difficulty of making the French people pay the taxes already imposed, and the danger of the necessity of further inflation, resulting from a fresh issue, in the event of a budgetary deficit are serious. The whole muddle then presents problems which only the strongest administration would be capable of handling. Most fundamental in all financial remedies is the need of public confidence. The successful renewal of the maturing floating obligations depends on the restoration of public confidence. Will a Socialist government inspire this confidence?

The Japanese yen after a month's check in its meteoric advance, has again begun to soar towards par. The proximity of the export season, and the passage of the finance bills by the diet will probably help to stimulate further activity.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
March 25	9-32	15-64	3-32	1-16
March 26	1-4	3-16	3-32	5-64
March 27	3-16	9-64	3-32	5-64
March 29	5-32	9-64	3-32	1-16
March 30	13-64	11-64	1-16	1-16

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
March 25	4.85⅞	3.48½	4.02⅛
March 26	4.85⅞	3.43¼	4.02⅛
March 27	4.85⅞	3.45½	4.02⅛
March 29	4.85⅞	3.39½	4.02⅛
March 30	4.85 15/16	3.42	4.02⅛

FOREIGN EXCHANGE

Par		Close Mar. 24	Close Mar. 30
19.30	Italian	4.03½	4.03
23.82	German	23.87¾	23.85
32.45	Brazilian	14.41	19.24
19.80	Belgium	4.03	3.71
49.85	Japan	3.50¾	45.97

B.C. SHIFTS BLAME ON DOMINION FOR EXPORT OF LUMBER

(Continued from page 1)

be made here to have the provincial government back up their protest against the present export from Crown lands. As the Liberals are in control in B. C., the resolution will have to be framed in such a way as not to reflect on the party in power at Ottawa because there is evidently some attempt to make the issue a political one, but there is no doubt that if the legislature passed any resolution at all it will be clear enough for the Federal government to recognize its meaning.

Canadian Industrial Alcohol Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of thirty-two cents (32c.) per share has been declared on the Capital Stock of this Company for the quarter ending 31st March, 1926, payable 15th April, 1926, to shareholders of record at the close of business 31st March, 1926.

By Order of the Board.

J. GIBSON LAWRENCE,
Secretary.

Canadian Pacific Railway Company

Notice to Shareholders

The Forty-fifth Annual General Meeting of the Shareholders of this Company for the election of Directors to take the places of the retiring Directors and for the transaction of business generally, will be held on Wednesday, the fifth day of May next, at the principal office of the Company, at Montreal, at Twelve o'clock noon.

The Common Stock Transfer Books will be closed in Montreal, New York and London at 3 p.m. on Tuesday, the sixth day of April. The Preference Stock Books will be closed in London at the same time.

All books will be re-opened on Thursday, the sixth day of May.

By order of the Board,
ERNEST ALEXANDER, Secretary.
Montreal, March 8th, 1926.

DIVIDEND NUMBER 148

Hollinger Consolidated Gold Mines, Limited

(No Personal Liability)

A dividend of 1.6% on the outstanding capital stock of the Company has been declared payable on the 22nd day of April, 1926, on which date cheques will be mailed to shareholders of record at the close of business on the 6th day of April, 1926.

Dated the 30th day of March, 1926.

I. McIVOR,
Assistant-Treasurer.

Montreal Tramways Company

DIVIDEND NOTICE

Notice is hereby given that a dividend of Two Dollars and Fifty Cents ($2.50) per share for the quarter ended 31st March, 1926, has been declared upon the paid up Capital Stock of the Company, to Shareholders of record on Tuesday, the 6th day of April, 1926, at 4 o'clock p.m., payable on Thursday, the 15th day of April, 1926.

By order of the Board.

PATRICK DUBEE,
Secretary-Treasurer.
March 29th, 1926.

HOWARD SMITH PAPER MILLS Limited

Dividend Notice on Preferred Stock

Notice is hereby given that a dividend of 2% on the Preferred Stock of the Howard Smith Paper Mills Limited has been declared for the quarter ending the 31st day of March, 1926, payable on the 20th day of April, 1926, to shareholders of record at the close of business on the 10th day of April, 1926.

By Order of the Board.

E. HOWARD SMITH, Jr.,
Secretary.

Montreal, March 22, 1926.

CANADA
PROVINCE OF QUEBEC
City of Three Rivers

Public notice is hereby given that the School Commissioners for the City of Three Rivers will receive until Monday, the twelfth day of April, 1926, written sealed tenders, endorsed "Tender for Debentures," for the purchase of three hundred and eighty thousand dollars ($380,000.00), of bonds of the School Commissioners for the City of Three Rivers, from which: $360,000.00 dated November 1st, 1924, and maturing by series from 1927 to 1954, and $20,000.00 dated May 1st, 1925, and maturing by series from 1927 to 1955, the whole bearing interest (a) at the rate of five per centum (5%) per annum; (b) at the rate of five and a half per centum (5½%) per annum, payable semi-annually the 1st May and November in each year.

The principal and interest payable at the office of the Bank of Montreal in the cities of Quebec, Montreal or Three Rivers. These bonds shall be issued in denominations of $100.00 or its multiples at the option of the purchaser. Every tender must be accompanied by a certified cheque equal to one per cent. of the par value of this issue. The cheque deposited by the tenderers whose offers are not accepted, shall be handed back to them without delay, that of the tenderer whose offer is accepted shall be handed back to him after the execution of his contract, without interest.

Every tender shall specify whether the price offered does or does not include the interest accrued on the bonds at the time of their delivery. The School Commissioners for the City of Three Rivers do not bind themselves to accept any of the tenders. The tenders will be considered by the School Commissioners at a meeting which will be held Monday, the 12th of April, 1926, at 8 o'clock, p.m., or at adjournment of said sitting.

Particulars of this issue and the table of maturity of serial bonds may be secured on application to the undersigned.

ARTHUR NOBERT,
The Treasurer of the School Commissioners.
Three Rivers, Que.,
The 24th of March, 1926.

State of San Paulo

7% Bonds

Direct obligation of the State of San Paulo, Brazil.

Price, 96½ and accrued interest, to yield

7.30 %

Cochran, Hay & Co., Limited
TORONTO
Dominion Bank Bldg.
KITCHENER 83 King St. West
LONDON Dundas Building
LONDON E.C.2
Gresham House-Old Broad St.

ONTARIO

SALE OF HARDWOOD TIMBER

TENDERS WILL BE RECEIVED by the undersigned up to and including the 15th of April, 1926, for the right to cut the Hardwood Timber, comprising Birch and Maple, on an area in the District of Algoma, partly in the Mississaga Forest Reserve and partly in the section immediately South thereof, subject, amongst other conditions, to the manufacture of same into the finished product within the Province of Ontario.

FURTHER PARTICULARS may be obtained upon application to the undersigned, or the Deputy Minister of Lands and Forests, Toronto, Ontario.

JAMES LYONS,
Minister of Lands and Forests.

N.B.—No unauthorised publication of this Notice will be paid for.
TORONTO—January 22nd, 1926.

The Trinidad Electric Company, Ltd.

Notice is hereby given that a dividend of 1¼% for the quarter ending March 31st, 1926, on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each shareholder and are payable at the Royal Bank of Canada, Halifax, N.S., on and after the 10th of April, 1926.

The transfer books of the Company will be closed from the 1st to the 10th of April, 1926, both days inclusive.

By order of the Board.

F. B. OXLEY, Secretary.

The Steel Company of Canada, Limited

Preference Dividend No. 59

Notice is hereby given that a dividend of one and three-quarters per cent. on the issued and fully paid Preference shares of the Company has been declared for the quarter ending March 31st, 1926.

Ordinary Dividend No. 37

Notice is also given that a dividend of one and three-quarters per cent. on the issued and fully paid Ordinary shares of the Company has been declared for the quarter ending March 31st, 1926.

The above dividends are payable May 1st, 1926, to shareholders of record at close of business April 8th, 1926.

By order of the Board,
H. H. CHAMP, Secretary.
Hamilton, Ontario, March 26th, 1926.

The Bell Telephone Company of Canada

NOTICE OF DIVIDEND

A dividend of two per cent. (2%) has been declared payable on the 15th April, 1926, to shareholders of record at the close of business on the 23rd March, 1926.

W. H. BLACK,
Secretary-Treasurer.
Montreal, 24th February, 1926.

POSITION WANTED

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